THE LABOUR MONTHLY

A MAGAZINE OF INTERNATIONAL LABOUR

Editor: R. PALME DUTT

Volume 17 January, 1935 Number 1

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R. P. D.

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V. I. LENIN

Book Reviews

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A Magazine of International Labour

VOLUME 17 JANUARY, 1935 NUMBER 1

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THE DELEGATE CONFERENCE

convened by the LABOUR MONTHLY

AGAINST

WAR AND FASCISM

WILL BE HELD AT THE

ESSEX HALL, ESSEX STREET, STRAND, W.C.2,
at 3 p.m. on SATURDAY, JANUARY 26, 1935.

Chairman : H. BRIERLEY (Hemel Hempstead Labour Party).

Opening Speakers : Professor H. LEVY and Mrs. LEAH MANNING (Labour Candidate for Sutherland).

THIS Conference has been called by the LABOUR MONTHLY because in the present urgent situation, with the need for working-class unity against fascism and war overshadowing every other issue, it is essential for every possible effort to be made for all sections of the working-class movement to get together and discuss the common problems of the fight in front.

While the united front is making big progress, both in Europe, and in the districts and localities in Britain, as witnessed in the lifting of the ban by the Second International, and in the success of the resistance of the Trades Councils to the Black Circular, the main fight has still to be fought, and there are still heavy obstacles and problems to be faced. The opposition of the Central Labour Party and trade union leadership to the united front still threatens the whole future of the working-class movement in Britain ; and in addition the British Labour leadership is acting as the centre and organiser of the international resistance to the united front. This throws a special responsibility on the workers in Britain.

In order to advance to the united front, it is essential for representatives from local working class organisations to get together and thrash out in full and free discussion the questions

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of the present stage of the fight and the problems of the united front as they see them, what are the difficulties in the path and how they can be overcome.

As an organ circulating among all sections of the working-class movement, among Local Labour Parties, Trade Unions, Co-operatives, Communist locals and I.L.P. branches, the LABOUR MONTHLY has a special opportunity and responsibility to help to provide such a common ground for discussion. The LABOUR MONTHLY has always fought for the united front since its inception, and we believe that all LABOUR MONTHLY readers can to-day play their part to assist its realisation.

The Conference will provide the opportunity for the freest possible common discussion on the part of all delegates of local working-class organisations who are seeking to realise a common front of all workers for the struggles before us. It is hoped that all delegates will avail themselves of this opportunity and participate freely in the discussion ; the time of the Conference will be fully devoted, after the short opening statements, to general discussion on the part of all participating.

We believe that an interchange of this character can prove of real value in helping forward the fight for the united front.

Invitations to all political and other working-class organisations, co-operative bodies, etc., have now been sent out.

If your organisation hasn't yet received an invitation to send Delegates, send in the Secretary's name and address to The Manager, The Labour Monthly, 7 John Street, London, W.C.1.

To cover expenses a fee of 1s. per delegate (1s. 6d. for 2 delegates) will be charged.

Visitors similarly, who are cordially invited to be present, will be asked to contribute to the expenses.

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NOTES OF THE MONTH

1934-5—New War Questions—World Situation—War, Fascism and Revolution—"Peace Ballot"—Real Issues—Danger of Unpreparedness—Shift in International Relations—New Illusions—British Armaments Debate—Arming Germany against Communism—British-Japanese Relations—British Foreign Policy—France and Germany—New Forms of War Propaganda—League of Nations and Soviet Union—"Democratic Defence" against Fascism—Covering War Preparations—The United Front in 1935.

THE year 1934, which saw the armed struggle of the workers in Austria and Spain against Fascism, and the united front holding back Fascism in France, which saw June 30 in Germany and murder becoming the ever more familiar weapon of bourgeois politics, which saw the San Francisco general strike and the great textile strike in America with conditions of latent civil war, the street fighting in Amsterdam, and the anti-fascist demonstrations of Olympia and Hyde Park in Britain, will stand out in memory as a year of great issues and rising struggles, as a prelude to the new world revolutionary epoch which is steadily gathering and approaching through the consequences of the world economic crisis and of the accompanying drive to fascism and to war. If 1933 saw the victory of Fascism, 1934 saw the gathering of the anti-fascist forces, the rising tempo of anti-fascist struggle in Austria, in Spain, in France, in Britain, the inner shaking of German Fascism, the deepening contradictions of imperialism at every point, and the wide advance in country after country to the united working-class front. But at the same time the approach of war draws visibly closer, as the inner balance of capitalism weakens, and war is seen ever more strongly, even at the same time as it is feared, as the only solution of a thousand dilemmas. The shadows of war hang heavily over the whole situation at

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the close of the old year and the opening of the new. *The advance of capitalism and fascism to war : the advance of the working class to the united front : these are the two opposing world forces which hold the immediate future in their hands.* 1935 thus opens as a year at once of great menaces and of great hopes.

MORE and more strongly the whole international situation is dominated by the prospect of war. It is necessary to face plainly and in a realistic fashion the new developments that are taking place in the relations of imperialism and in the conditions of the advance to war, and the consequent new tactical problems raised for the working class revolution. The intensity of the menace of war needs no underlining to-day. It is superfluous to quote the thousand and one declarations in an ever thickening stream from the statesmen of every country. The material facts of armaments speak their lesson clearly enough. The Foreign Policy Association of America recently published a calculation of comparative figures of armaments expenditure in 1913 and in 1934. The comparison showed the following result (reduced to gold values) :

ARMAMENTS EXPENDITURE (in millions).

	1913	1934	increase.
France	1807.0 francs	2273.8	25.8 per cent.
Italy	927.0 lire	1171.6	26.3 ,,
Great Britain ..	77.2 pounds	114.9	48.8 ,,
United States ..	244.6 dollars	711.5	190.9 ,,
Japan	191.8 yen	935.9	388.0 ,,

1913 marked the climax of the "armed peace," of the intense armaments race which broke out into the world war of 1914. 1934 has already far exceeded this level. And it is worth noting, for the benefit of those who may be misled by the chatter of the British politicians and press pharisaically deploring the seething war-cauldron in Europe, first, that the main expansion had come, not from the European countries, but from the three world powers which are in fact contesting for world empire on the basis of the Far East, *i.e.*, Britain, the United States and Japan ; and second, that the biggest armaments expenditure

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comes from the two powers which most freely lecture the rest of the world on peace, Britain and the United States. With these figures may be compared the record of naval estimates in 1912 and in 1934 noted by Admiral Richmond in his recent book, "Sea Power in the Modern World."

NAVAL ESTIMATES (in £ millions).

	1900	1912	1934
Great Britain	27½	44	55½
United States	10	26	57½
Japan	—	9½	41½
France	12½	17	22
Italy	4½	8¾	15

After all the loudly boomed Washington and London "Limitation" Treaties the naval expenditure of the five powers concerned has increased from £105 millions before the war to £192 millions to-day. These are the facts which speak louder than any arguments, and than any War Renunciation Pacts and peace professions, where capitalism is going.

THE close of the year 1934 sees the open war drive of every Government. President Roosevelt calls his War Preparation Conference of the Secretaries of War, the Navy, the Treasury and Labour, the Chief of Staff, the Commissioner of Railroads, etc.—under the transparent cover of the aim to "take the profits out of war." According to his statement

> There are two aspects of the problem to be considered—first, methods of elimination of war profits, and second, *the elaboration of a large and comprehensive plan of war activities to meet the day of possible American participation in war.* (*Times*, December 13, 1934.)

The British Government through the mouth of Baldwin holds out the prospect of a coming "war for democracy":

> We are a tremendous obstacle to that kind of slave State spreading further West, but it may well be, if the world proceeds as it is proceeding, that *the day may come when those who have still preserved their freedom will have to stand together lest freedom perish from the earth.* (Baldwin, speech at Bonar Law College, Ashridge, on December 1, 1934.)

The Singapore naval manœuvres and the Hankey Mission to the Dominions parallel the feverish American and Japanese

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preparations in the Far East. Japan announces the denunciation of the Washington Treaty before the close of the year ; the naval conversations, like the previous Disarmament Conference, are at a deadlock. In Europe German re-armament goes forward more rapidly than ever with still continuing practical British support. British troops once again occupy European soil, not against Nazi terrorism—for the Franco-German Saar agreement, with British approval, leaves the path glaringly open for Nazi intimidation—but against the militant workers' movement and the possibility of new developments in Germany. German and French Fascism draw together under cover of " ex-service men's " conferences ; powerful forces in France work, with British support, against the French-Soviet understanding and for a French-German co-operation with the point turned against the Soviet Union. Thus the stage is set for 1935.

BUT it is necessary to see, not merely the general trend to war, but the concrete conditions under which war is developing, in order to be able to fight the menace. 1935 is not 1914. It is just the concrete questions of the international political situation which are important, and which are hidden by nine-tenths of ordinary anti-war propaganda with its denunciations and repudiation of war in general. The question of war is to-day more than ever bound up, not merely with the whole international political situation, but with the social situation in each country, with the present stage of the crisis of capitalism, with the advance of fascism, with the advance of the united front and of the working-class revolution ; and the outbreak of war, if war breaks out, can only be an explosion in this whole social-political development, moving rapidly to open civil war. It is just the failure to deal with these real issues which makes the failure and danger of abstract pacifist propaganda.

ANTI-WAR feeling in the abstract was never stronger, more widespread, even more fashionable in many bourgeois circles, than now when the approach to war

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is nearest. This phenomenon was also characteristic of the years before 1914, but is far more developed to-day. The success of the so-called "Peace Ballot," which has attempted to attach this anti-war feeling to confidence in the League of Nations, and the wide support obtained, despite the hostile jingo press campaign, has shown the strength, not so much of confidence in the League of Nations, as of this general anti-war feeling; the by-elections, and the angry accusations of the Conservatives against the Labour Party that they have exploited popular anti-war feeling for their own advantage when their policy in international affairs is in practice identical with that of the Conservatives, have illustrated the same situation (the reply of the Labour Party in Parliament, that they have no intention to allow the question of peace and war to become a party question has a sinister ring for the future war).

BUT this anti-war feeling in general, however widespread and however sincere in the masses of the population, is useless and worse than useless so long as it is not united with revolutionary understanding of the real issue, of the real conditions of the fight and of the concrete political questions (not always easy ones, but often difficult and complicated) which have to be faced and met. Without such understanding nine-tenths of the general anti-war feeling will inevitably disappear on the outbreak of war; because the conditions of the outbreak of war will appear new, startling, different from what has been expected, and confronting all with immediate issues of inescapable urgency which admit of no halfway position but leave only the alternatives of complete submission to imperialism or revolutionary struggle. It is to these real issues of the fight that we need to awaken opinion, utilising every development of the political situation to tear aside the masks of the statesmen's speeches and of the pacifists' preachings and to lay bare the real politics of imperialism.

NEW questions develop ceaselessly with the constantly changing situation. The advance of fascism, the re-arming of Germany and obvious preparations for a

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sudden launching of war, the entry of the Soviet Union into the League of Nations and the attempt of pacifism to utilise this in order to create new illusions in the League of Nations, the revived currency of the slogan of "collective security," the re-dressing of the issue of national defence in the guise of the issue of the defence of democracy against fascism—all these have given rise to new questions which have found their reflection in a dangerous spread of confusion in considerable sections of the working-class movement on the basic issues of war and of the fight against war. There is very great danger that through this confusion the psychological and ideal conditions for future war are already being laid (as the jingo speeches of several trade union leaders during the past twelve months have already indicated). It is of the utmost importance for the revolutionary anti-war movement to give clear answers on all these issues, and above all to show the unity of the fight against war and against fascism, of the fight in the field of international politics, and in the field of inner politics.

UNDOUBTEDLY during 1934 a sharp change took place in the whole international situation. 1933 had been dominated by the victory of Fascism in Germany, the re-armament of Germany with British support, the Japanese expansion in the Far East also with British support, the extreme paralysis of the League of Nations, and the pressing forward of the British plan for the anti-Soviet interventionist campaign on the basis of the combined offensive of Japan and Fascist Germany. But in 1934 the tables were turned. On the one hand, the growing strength of the Soviet Union gave pause to Japan and was reflected in the closer relations with France and with the United States. On the other hand, June 30 revealed the instability of the German régime ; and at the same time the desperate rapidity of German war preparations, especially in the air, began to raise alarm in Britain. British policy had to retreat and to turn to closer relations with France (the General Staff consultations and Baldwin's declaration of the Rhine as the British frontier), to acceptance, in accordance with the French line, of the entry of the Soviet Union into the League

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of Nations, and to professed approval of the project of the Eastern Pact. The entry of the Soviet Union into the League of Nations in September was the formal expression of this shift in the balance of international relations.

BUT there could be no greater mistake than to exaggerate this shift in the manœuvres of imperialism, of which the Soviet Union correctly took advantage in order to hinder the war plans, and to draw therefrom false conclusions of a basic change, either in Soviet policy, or in the British anti-Soviet policy, or of a transformation of the League of the Nations into an instrument of world peace. On the contrary. The closing months of the year have shown signs of new developments, and in particular of a renewal of the basic British policy in relation to Germany and to Japan, a strengthening of German influence in Central Europe, and a wavering in French policy, all giving rise to a new and dangerous situation. It is therefore necessary to be prepared for sharp and menacing turns in 1935.

ESPECIALLY significant in this respect was the House of Commons debate on armaments on November 28. Important was not only the agreement shown between the two schools of thought expressed, the Churchill school and the dominant Baldwin-Simon school, on the necessity of the rapid increase of British armaments. No less important was the difference between the two lines. The facts of German re-armament, of the overwhelming concentration of the entire economy on secret and rapid war preparation, are freely admitted ; the wholesale violation of Versailles is freely admitted, and raises no protest ; the potential menace to British security, and the necessity of consequent counter-measures, is admitted. But the minority Churchill line now sees in this menace of German war preparations " the great new fact which . . . throws almost all other issues into the background." On the other hand, the dominant Baldwin-Simon line, representing the governing line of British policy, regards the German re-armament with complacency and even with encouragement : the reports, declares Baldwin, are " exaggerated " ; British defences

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are adequately covered by the secret unpublished air reserves, whose numbers he prefers not to give save to state that they are "ample"; the important thing is to give Germany "equality," *i.e.*, full rights to arm (similarly emphasised in Smuts' speech on November 12). Taken in conjunction with the von Ribbentrop conversations in London preceding the debate, this line was a full intimation to German militarism to go ahead, and was so interpreted in the German press.

WHENCE this complacency of British policy towards the rapid re-armament of the former hated German rival and enemy, which a decade and a half ago the entire aim of British policy sought, at the cost of a million dead, to hold down and shackle by every means? Whence this certainty that the German war preparations will not be turned against Britain, but in *some other* direction? The answer is obvious. The answer was openly spoken by Lloyd George who at every decisive point has repeatedly been the most direct mouthpiece of the basic British policy in foreign affairs:

> In a very short time, perhaps in a year or two, the Conservative elements in this country will be looking to Germany as the bulwark against Communism in Europe. She is planted right in the centre of Europe, and if her defence breaks down against the Communists—only two or three years ago a very distinguished German statesman said to me: "I am not afraid of Nazism, but of Communism"—and if Germany is seized by the Communists, Europe will follow; because the Germans could make a better job of it than any other country. Do not let us be in a hurry to condemn Germany. We shall be welcoming Germany as our friend.

The speech of Lloyd George was applauded in the semi-official *Times*. The complacency of British policy is to the re-arming of German *Fascism*, to give German Fascism the armaments which were refused to German parliamentary-democratic institutions. And the confidence of British policy is that those armaments will be used against Communism, eventually against the Soviet Union.

TURN now to British-Japanese relations. The differences in every field are sharp and acute. The economic antagonism is intense and growing. Nevertheless, the

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governing line of policy still moves to ever closer British-Japanese relations. The Federation of British Industries Mission to Manchukuo and Tokio was the expression of this line. The banker and member of this Mission, Sir Charles Seligman, declared in an interview to the *Osaka Mainichi :*

> I can say that practically every thinking Briton is in favour of a revival of the Anglo-Japanese Alliance.

The *Financial Times* (August 29, 1934), in an article entitled " Britain Discovers Manchukuo," reported of the Mission that:

> not wholly irresponsible opinion suggests that the Mission is blessed by the Government, that it is the Government's typically British first step downwards to reality where formal recognition of Manchukuo lies, and that such recognition may eventually lead to a resumption of something approaching the close relations which existed between Japan and Great Britain before 1921.

The difficulties of the naval conversations, and the failure of the British attempts to meet Japan halfway under some face-saving appearance of an agreement, have added to the complications. Once again a minority line exists which stresses the paramount necessity of an agreement with the United States even against Japan. But in the main the threats of a closer common line with the United States (as in Smuts' speech) are only used to exert pressure on Japan ; the basic British-Japanese line manifestly continues and develops.

THUS we come back to the underlying British line, the line expressed by the " prominent English conservative " to the correspondent of the Vienna *Neue Freie Presse* on May 17, 1934 :

> We give Japan freedom of action with regard to Russia, whereby the export policy which Japan is compelled to pursue at present would be radically changed. We give Germany the right to arm ; we conclude an alliance with France, so that, as a result of Franco-British co-operation, an expansion by Germany to the West will be impossible. On the other hand, we open to Germany the way to the East by giving it a possibility of expansion. By this means we divert Japan and Germany, and keep Russia in check.

If we survey the present line in relation to Germany and Japan, no less than the strengthening of the Franco-British alliance,

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and simultaneous pressure to Franco-German co-operation and the settling of all questions on the West, we see the steady steps to the realisation of this line. The French-Soviet understanding has blocked this path during 1934. But the new moves to a change in French policy, reflected in the replacement of Barthou (removed by the regular Fascist method of murder) by the pro-German Laval, the behind-the-scenes negotiations for an understanding of the French and German ruling class, and the forthcoming Rome visit of Laval with talk even of the revival of the project of the Four-Power Pact, are dangerous signs, even though the immediate alignment can under present conditions change with great rapidity.

IT is a dangerous situation, but it is worth noting that the danger is in part *a reflection of the growing strength of the working class.* It is the fear of the weakening economic situation and rising revolutionary forces in Germany, it is the fear of the rising strength of the United Front in France, that above all underlies the closer drawing together of the French and German ruling class. Göring summons a special meeting of all the foreign diplomats and journalists in Berlin in December, 1934, to raise once again the alarm of " an acute Communist danger which must be overcome at all costs " (*Times*, December 13, 1934), exactly echoing the Lloyd George speech of a fortnight before. Laval signs the Saar agreement, playing directly into the hands of Germany, against the United Front in the Saar, refusing the demand of the United Front for the guarantee of another plebiscite, and goes out of his way to assure the German Ambassador that he has no intention of playing the game of the " internationalists and Jews " (this typical subordination of present-day French and British statesmen to Nazi ideology was similarly illustrated when the British Foreign Minister, Simon, found it necessary to write to the press to explain that he was not a Jew, but of " Aryan descent "—thus swallowing whole the completely unscientific exploded racial fairy tales of the gutter philosophers in order to conform to Nazi ideals).

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BUT this rising strength of the working class and of the advancing working-class united front, and the consequent fear and manœuvring of the ruling class, only makes the more plain the path of advance of the working class and of the real fight against war. The greatest danger does not lie in the direct war plans of imperialism, which can be defeated by a united working class. *The greatest danger lies in the pacifist and confusionist manœuvres of imperialism and of its channels of influence in the working class to disrupt the united working class front and replace it by support of rival imperialist policies.* It is here that lies the significance of the rôle of the Labour Party Executive, not only in its international fight against the united front, but in its whole Southport line of support of imperialist war in certain contingencies, in the case of war against an "aggressor," in the case of war for the "collective system" of imperialism, in the case of war "to preserve the nation and its democratic institutions." It is here that lies the significance of the spreading of trust in a future Labour Government as an instrument of peace. It is here that lies the significance of the attempts to exploit the fact of Soviet participation in the League of Nations in order to revive the weakening illusions in the League of Nations as a guarantee of peace, or to preach the obligation of the working class to subordinate itself to the leadership of the League of Nations. It is here that lies the significance of the preaching of a hypothetical war of "democratic defence" against Fascism. These are the questions that contain wrapped up in their plausible arguments the real advance of the war danger in the ideological field. These are the questions that constitute the most critical front for the present stage of the fight against war.

WHAT is our answer to these "left," "pacifist," "democratic," "anti-fascist" arguments in support of future imperialist war? Our answer remains the Leninist line, the line of international socialism from Marx and Engels, from Stuttgart and Basel up to to-day. We need more than ever to warn the workers *never* to become entangled in the lines of imperialist policies, but to judge every question of war

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and peace solely from the standpoint of the working class revolution. The workers under capitalism have no fatherland ; their only fatherland is so much of the territory of the globe as they have conquered and made their own, to-day the territory of the Soviet Union. The participation of the Soviet Union in the League of Nations no more transforms the character of the League of Nations than the participation of a Communist in Parliament transforms the character of Parliament. By participation in the League of Nations under existing conditions the Soviet Union has gained a certain advantage of position to pursue its diplomatic activity against the war danger, while at the same time, as explicitly made clear in Litvinov's statement on entry, specifically excluding the Soviet Union from being tied by any imperialist obligations. The false comparison of the position of a working class which has not yet conquered power, which has not yet overthrown its capitalist class, with the position of a working class which has conquered power and has now to manœuvre in a capitalist world (and has to manœuvre only because the workers in the other countries have not yet overthrown their capitalists) is the favourite fallacy of reformism to confuse the issues and conceal its own capitalist policies. The tasks of the two are specifically different, even at the same time as the fight remains a single fight. But the real fight remains throughout, not in the reflections of power at the council tables, but in the direct field of the class struggle, in the strength of the international working class, in the strength of the workers' army of the Soviet Union, and in the strength of the revolutionary struggle in the other countries. Here and nowhere else lies the final decision of the issues of war and peace.

WHAT then, of the hypothetical arguments of a possible war of "democratic defence" against a Fascist aggression ? The true significance of this argument lies in the complete distortion of the real situation, namely, the direct encouragement and arming of German Fascism by Britain, not in order to attack British "democracy," but in order to attack the Soviet Union. Nevertheless, in the uncertain

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state of the international situation, the possibility is not excluded of a Nazi surprise attack to the West, contrary to the calculations of the dominant imperialist powers. The possibility, though not the most likely, though not the main line of the war danger, exists, and could raise a sharp question directly for the French workers and possibly also for the workers in Britain. Must we then let the Nazis "walk over us," demand the trade union leaders with great heat. Must we not "defend our country" against Fascism? Is not pacifism in such conditions equivalent to surrender to Fascism? The revolutionary answer is clear. We hold nothing in common with the pacifist position. We do not for a moment exclude military defence against Fascism—*on one condition*, and one condition only, namely, that we have a country to defend. We shall defend Workers' Britain, as an integral part of the World Workers' Republic, of the future World Soviet Union, against Fascism with every means in our power. Let the exploiting class in France make way and surrender power to the workers' united front, and the French workers will defend Workers' France against every attack, as they defended the Commune, against the combined French-German ruling class. But until then we shall fight our own exploiting class; we shall not let ourselves be dragged into warring for one set of masters against another; we shall raise the slogan of fraternisation with the German workers and soldiers. Is this "unpractical"? On the contrary, it is the *only* practical line. For such fraternisation, such fight of the British workers against British Imperialism, will more rapidly undermine the shaking Nazi régime in Germany, will hasten the German revolution, than any "*union sacrée*" of the trade union leaders with British Imperialism, which will only strengthen the Nazi hold, confirm the Nazi propaganda of the vanity of working-class internationalism, and prolong the war. This is the Leninist line, which remains the only line for the working class in any imperialist war.

BUT what is above all important to understand is that these hypothetical arguments are used by reformism, are used by labour imperialism, to cover the reality

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of the war that is being prepared by imperialism, and in particular the issue of war of imperialism on the Soviet Union. Just as in the field of internal politics, the slogan of "democracy versus dictatorship," put forward in the guise of a slogan against Fascism, is in practice used and intended as a slogan against Communism, so in the international field the cry of a war for "defence of democracy against dictatorship," put forward as if it were a question of defence against a Nazi attack (when in reality British Imperialism and German Fascism are as thick as thieves together), is in fact being prepared for the use of war against the Soviet Union. The statement of Baldwin already noted, in which, after coupling Communism with Fascism as the type of the "slave State" in Eastern Europe, he goes on to issue the call that

> the day may come when those who have still preserved their freedom will have to stand together lest freedom perish from the earth.

precisely illustrates this line of preparation of the future war, for which the language of Baldwin and of the Labour Party is identical. Against just this line the workers need to be on their guard.

THE strength of the working class to-day lies in the advance of the united front. The fight against Fascism and the fight against war can only be fought successfully by a working class united on the basis of the class struggle. 1935 offers high hopes for this advance. In a number of countries the united front has already conquered in principle and is being built up ; the old leadership of the Second International, the opponents of the united front, are thrown on to the defensive. In Britain, despite the opposition of the Labour Party leadership, the united front is growing in strength below ; the first round of the fight against the Black Circular has been fought with a considerable degree of success unequalled since the beginning of the disruption system in the Liverpool decisions of 1925. But the issues of the situation develop with extreme speed. The war danger, the questions of fascism in all its forms, the questions which will follow on a Third Labour

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Government, are all developing before us. The revolutionary leadership in the working class is advancing in strength, but far less rapidly than the rate of development of the situation, than the rate of development of the tendencies to fascism and to war. Herein lies the menace of the position. *We cannot afford to be taken unprepared, either on the lines of* 1914, *or on the lines of the German* 1933. We have spoken in our resolutions and programmes of the present period as a period of transition to new world war and to a new revolutionary epoch. But this period of transition, within which we still have time to prepare, is a short one, and it is already visibly drawing to its close. How long a chance we still have before us is a doubtful question ; but we have no right to calculate on long. At the present time, when new reformist and pacifist illusions, when new illusions in the recovery of capitalism, when new illusions in another Labour Government, are being spread on every side, we need more than ever to awaken the workers to the true character of the issues in front, to the sharp and merciless issues of class struggle and of open fight which are in fact before us, and to hasten with all our power the building of the united working-class fighting front which can alone save the workers in the coming period.

R. P. D.

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THE NEW DEAL FOR INDIA

By REGINALD BRIDGEMAN

(*International Secretary, League against Imperialism*).

[*The* LABOUR MONTHLY *publishes this article as the first of a series which it intends to run on the meaning and background of this new plan of British Imperialism to rivet even more firmly than ever before the chains of British finance capital on the Indian people. Significantly enough, almost simultaneously with the publication of this report, which the Government describes as designed to grant a greater measure of self-government to India, comes the news of the re-arrest in Bombay of one of the Meerut prisoners, Philip Spratt, recently released from six years in jail, on the charge of Communist activities, the first charge under one of the new series of repressive measures imposed last July by decree. The* LABOUR MONTHLY *appeals to all its readers to join in the campaign for the immediate release of Philip Spratt and of all other political prisoners in India.*]

THE Report of the Joint Committee on Indian Constitutional Reform which, with the Proceedings and Records, covers 1,551 pages, is an outstanding and impressive example of the continuity of British Imperialist policy. It is founded on the Reform proposals of the National Government presented to Parliament in March, 1933, usually referred to as "The White Paper," and on the Report of the Indian Statutory Commission of 1930. The Report was described by the *Times* as marking "the completion of the most thorough and exhaustive examination of proposed constitutional changes ever undertaken in the history of the British Empire." By putting the Report on the market at 1s. in Britain and at 8 annas in India the National Government have done their best to popularise this State paper, and the energy and care with which the leaders of the Conservative Party prepared public opinion for the Report and with which they have since defended it shows that they realise the importance of their Indian policy as a preparatory step in the contest with Socialism which they see is inevitably coming.

The initiation of the present phase of Britain's Indian policy dates from the apprehensions which arose in the imperialist mind with the development of revolution in the Czarist Empire of Russia in 1917. The voice of the Indian workers and peasants was beginning to make itself heard. Trade Union organisation on the European model had been started. British Imperialism perceived the need of seeking new allies in India.

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The Montagu-Chelmsford Report prepared the system of reforms known as Dyarchy under which a measure of responsible government was introduced in the Provinces, so that, by devolution, the Indian bourgeoisie became associated to a limited degree with the administration of British India for the benefit of British Imperialism.

Meanwhile the national struggle for India's freedom was assuming gigantic proportions. The influence of the Indian National Congress which had always been in the hands of the bourgeoisie was waning, the workers were finding their own leaders and successfully fighting their own rent and wage battles.

The Government of India Act of 1919 provided that after 10 years there should be an enquiry into the working of the dyarchic system. In 1927 when Lord Birkenhead was at the India Office the Indian Statutory Commission was appointed, representing the three parties in the British Parliament. Lord Strathcona, the late Lord Burnham, Colonel Lane Fox (now Lord Bingley), and Mr. E. Cadogan were the Conservative members ; Mr. Attlee and the late Mr. Vernon Hartshorn were the Labour members, while the Liberal representative was Sir John Simon, the Chairman. This Commission, when it visited India, was received with extreme hostility by the people. In many towns it was met by processions of the workers bearing black flags and calling on it to " Go Back." But the Commissioners continued their tour undismayed. Attlee and Hartshorn ignored the feelings of the Indian masses which were so unmistakably expressed, and the Commission's Report, which did not contain a single dissentient minute, followed by its Recommendations, was issued in 1930. In the course of the recent debate on Indian Constitutional Reform Sir John Simon informed the House of Commons that the pen of the Labour member for Limehouse, Mr. Attlee, was responsible for a good deal of what was in those volumes, and he considered it remarkable that every single surviving member of the Statutory Commission takes the same view as to the necessity of supporting the Report of the Joint Committee, although in some respects Mr. Attlee and his friends would like to go further.

It is not possible to make in this article a thorough analysis of all the recommendations of the Joint Committee's Report, neither can we here attempt to describe the reactions of opinion in India to the report. We can only give here a brief outline of the recommendations, and attempt to deal rather more fully with the question of control of credit, because the Report is less explicit in reference to the financial safeguards than to some of the others.

The Report consists of six sections : a general introduction entitled " The Principles of a Constitutional Settlement," and five chapters on Provincial Autonomy, Federation, the Central Government, Special

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Subjects (dealing with the Distribution of Legislative Powers, the allocation of Revenue between the Federation and the Federal Units, the Public Services and the question of future recruitment, Pensions, the Judicature, the Supreme Court, Commercial Discrimination, and the future administration of Indian Railways), and Burma.

The main recommendations of the Report are :—

(1) All-India Federation.
(2) Central Responsibility.
(3) Provincial Autonomy.
(4) Safeguards.

As regards Federation it is argued that if the principle of Provincial Autonomy be accepted, it will be necessary to have some binding central authority, if the disruption of such unity as already exists in Indian administration is to be avoided.

Moreover, the Indian States will only enter a Federation on condition that they have a real voice in the determination of its policy, and this means that the Federal Government must be a responsible government.

The position as regards the States is not quite clear. From the debate in Parliament and the speech of Major Courtauld it seems that the Viceroy has had to exert pressure to secure the agreement of some of the Indian rulers to the Federal Scheme.

The subjects of legislation are divided into three categories : (*a*) matters which are exclusively provincial, (*b*) matters exclusively federal, and (*c*) matters in respect of which the Centre and the Provinces would have concurrent powers.

The Federation of All-India, while nominally based on the principle of responsibility, is to be subject to safeguards and far-reaching reservations of power in the hands of the Governor-General, including the entire control of the defences and foreign relations of India, as well as the control of certain areas like Baluchistan which have been excluded from the Federation for strategical reasons. Similar emergency powers together with the ultimate control of the police will be in the hands of the Provincial Governors, who, like the Governor-General, will be appointed by the King of England.

Finally, no Indian Legislature will have the power of altering the Constitution.

The first impression that one has in considering the situation which the publication of this long-awaited report has created is that imperialism pervades the British mind and grips the British people even more tightly than one believed possible, that the imperialists are mighty well organised and mighty well equipped, and that the forces and organs which one would ordinarily expect to resist conservative domination and seek to free the

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masses of the world from the deadly stagnation of private ownership and individual affluence have not merely not warned the British people of the dangers of imperialism, but have ceased to regard imperialism as a danger at all, and so have wholly neglected to organise any effective opposition to the policy of the National Government in securing the endorsement by the British Parliament of the Report of the Joint Committee. Indeed Mr. Seymour Cocks, who was one of the representatives of the British working class on the Joint Committee and voted against accepting its recommendations in the House of Commons, nevertheless declared that he had implored his "Labour friends in India" to work the new Constitution.

The second point which strikes one is the failure of the Joint Committee to establish the obvious connection between the present state of India with 60 per cent. of the village population badly nourished—a state of emergency which, according to the Director of Public Health in India, Sir John Megaw, is rapidly passing towards one of crisis—and the cumulative effect of 150 years of alien rule.

The Joint Committee consisted of 31 members, its Chairman was the Marquess of Linlithgow, and it included three ex-Viceroys, three former Secretaries of State and three ex-Governors. Four members of the Simon Commission were included. The Committee appears to have felt that it was of greater importance to meet the views of the Conservative right wing, of whom Lords Salisbury, Middleton, Rankeillour, Sir Reginald Craddock and Sir Joseph Nall, were the representatives on the Committee, than to consider the question of India's right to full national independence.

No member of the Committee approached the question of India's future from the point of view of self-determination. The guiding preoccupation was "How little need we concede to avoid trouble"? and the principal purpose of all their endeavour was the retention of India within the British Empire.

The Report of the Joint Committee is the outcome of years of careful imperialist effort and consideration. It is, according to the *Times*, "something incomparably more important than mere critical comment on an existing scheme. It envisages the whole projected constitution of India with a precision of language that none of the earlier documents could supply."

The objects of the Report are threefold :—

(1) to safeguard the vast investments of British capital in India.

(2) To stabilise the position in India so that India, and all that it represents to the British Empire from a financial, economic and strategical standpoint, may be a fixed rather than a fluctuating factor in the prosecution of imperialist policy.

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(3) To preserve India absolutely as a strategical bulwark of the Empire.

On the morning after the publication of the Report the *Financial Times* reassured the British public by pointing out that in the sphere of finance and trade the Governor-General will be the sheet anchor of the State, and that as far as the holdings of the British investor are concerned the Indians will have no say whatever. India is not to be financially independent. Interest, sinking fund charges and other expenditure relating to the raising, service and management of loans will not be submitted to the vote of the Legislature. As this provision is to be an integral part of the new Constitution it was argued that there need be no fear for the future of India loans, while the Trustee status of existing sterling loans is maintained and extended to future issues.

Although the Report recommends that the Federal Ministers shall be responsible generally for finance, yet the greater part of the Federal Budget will be " reserved " expenditure and will not be submitted to the vote of the Legislature, because, as was recognised by the Federal Structure Committee, it is " a fundamental condition of the success of the new Constitution that no room should be left for doubts as to the ability of India to maintain her financial stability and credit both at home and abroad."

It was therefore decided to be necessary to reserve to the Governor-General in regard to budgetary arrangements and borrowing such essential powers as would enable him to intervene, if methods were being pursued which would in his opinion severely prejudice the credit of India in the money markets of the world.

In relation to finance the thoroughly imperialist character of Mr. Attlee's alternative Draft, which has now become the basis of the Labour Party policy towards India, is conspicuous.

The Labour draft speaks of " Financial Autonomy " for the All-India Federation as if it were a reality. Yet Mr. Attlee declares his agreement with the proposals of the White Paper under which appropriations of revenues relating to the following heads of expenditure will not be submitted to the vote of either Chamber of the Legislature, although they will be open to discussion in both chambers. These heads are :—

(1) Interest, sinking fund charges and other expenditure relating to the raising, service and management of loans.

(2) Expenditure fixed by the Constitution Act.

(3) Expenditure required to satisfy a decree of any court or arbitral award.

(4) The salary of the Governor-General and of Ministers, Counsellors, Financial Adviser and Judicial Commissioners.

(5) Expenditure required for the Reserved Departments ; for the discharge of the functions of the Crown in its relations with the rulers of Indian States.

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(6) Salaries and Pensions for Judges.
(7) Expenditure required for the excluded areas and for British Baluchistan.

The report points out that at present currency and exchange are the direct concern of the Government of India, but that it is desirable that they should be entrusted to a central bank, which would also control the credit mechanism of the country.

The plan is that a Reserve Bank on a sure foundation and free from political influence, should have already been established before the constitutional changes take place.

The Reserve Bank of India Act was passed by the Indian Legislature in February last. The movement for the establishment of a central bank in India had its beginnings in the early post-war period. The Royal Commission, which reported in 1926, recommended the establishment of a central bank, on a gold bullion standard, but this scheme was abandoned and the Reserve Bank Bill resulted from the Round Table Conference in 1933. The Reserve Bank will be the sole note issuing authority and its central banking functions will be limited. Hitherto the Imperial Bank of India has been invested with a central banking status, and it will continue to serve as the sole agent of the Reserve Bank where there is a branch of the Imperial Bank but no branch of the Reserve Bank.

The currency in India consists of silver rupees and Government notes convertible into rupees. On a day to be fixed by the Governor-General the Bank is to assume liability for all outstanding Government notes, while the Government is to transfer to the Bank gold, sterling securities, rupee coin and rupee securities, to the amount of the outstanding notes. The effect will be to take a unified note issue from the Government and vest it in the Central Bank which will not be under the control of the Federal Government.

As an instance of the close interlocking of the financial system of India with that of Britain, it is to be noted that the sterling securities may consist of balances with the Bank of England, bills of exchange, payable in the United Kingdom within 90 days, and British Government securities maturing within five years.

The Indian Central Bank is planned on the model of the Bank of England, " The Mother of Central Banks," and India is to be established on a sterling standard, while there will be an obligation on the Bank to buy and sell sterling on demand at prices close to the parity of 1s. 6d. between the rupee and sterling.

It is worth pointing out that India, whose Reserve Bank is expected to begin operations before the end of 1935, will not be the only newcomer to the field of imperial central banking. There is to be closer monetary co-operation within the British Empire. South Africa and Australia

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have had central banks for some years, the Reserve Bank of New Zealand started business on August 1st last, and legislation has already been introduced for the establishment of a central bank in Canada as well as India, while a Central Bank is now under consideration for the Irish Free State.

The main responsibility for the management of the Indian Reserve Bank will lie with the Governor and the two Deputy-Governors, and they with four out of the 13 directors will be appointed by the Governor-General. The Governor of the Imperial Bank of India has already been appointed to the governorship of the Reserve Bank, and the two Deputy-Governors, who are Government officials of Indian and European nationality, have also been appointed.

After a full-dress debate lasting for three days the House of Commons on December 12 committed itself to the decision that a Bill should be introduced with the object of giving what the imperialists describe as a greater measure of self-government to India. The text of the motion adopted by the House was :—

> That this House accepts the recommendation of the Joint Committee on Indian Constitutional Reform as the basis of the revision of the Indian Constitution and considers it expedient that a Bill should be introduced on the general lines of the Report.

The amendment of the Labour Party Opposition which was rejected by 491 votes to 49 was as follows :—

> This House is of opinion that any legislation for Indian Constitutional Reform should be based on the proposals contained in the draft report submitted to the Joint Committee by members of His Majesty's Opposition so as to make provision for the recognition of the right of India to Dominion Status and for its attainment by a progressive development and expansion of responsible government, and for placing in the hands of the Indian masses the possibility of obtaining political power by constitutional means, in order to achieve their emancipation from the injustices and hardships of the existing social and economic system.

The Labour Group in the Joint Select Committee consisted of Lord Snell, Mr. Attlee, Mr. Seymour Cocks and Mr. Morgan Jones. It laid an alternative Report before the Joint Committee which has been published in the Proceedings (pp. 253-287). So much, however, of what the Labour Representatives desired to incorporate in the new Indian Constitution was already implicit in the Committee's recommendations, and so entirely devoid is the Labour draft of any definite suggestions to bring about the freedom of India from British Imperialist control and for the withdrawal of the army of occupation in order to make self-determination a reality, that when some of the Labour speakers in the course of the Parliamentary debate, notably Mr. Attlee, appealed for the insertion of some reference to " Dominion Status " in the scheme for Constitutional Reform, Sir John Simon pointed out that neither the amendment before the House of Commons, nor the Minority Report, proposed to establish

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complete self-government in India. Moreover, Mr. Baldwin who wound up the debate which he described as one of the most interesting and certainly one of the most important that had taken place since he had been a member of Parliament disconcerted the leader of the Opposition by not considering it worth while to reply to any of the points which had been made by the Labour speakers in support of the Amendment. So much so that Mr. Lansbury enquired, on a point of order, whether the Opposition had not a right to ask the principal spokesman of the Government to reply to their Amendment. To this the Speaker answered simply that Mr. Baldwin must make his speech in his own way.

The next day the *Times* correspondent telegraphed from New Delhi that the defeat of the Labour Party's amendment in the India debate was considered in India to have eliminated the purely artificial element which had been introduced into the controversy. Indians, he added, recognised that the constitutional scheme which emerged from the Committee had until quite lately borne the hallmark of Labour's co-operation.

Ever since the agreement of the British Parliamentary Labour Party to participate in the Statutory Commission which was appointed by the Conservative Government in 1927, there has not been any real fight on the part of the Labour Party for the freedom of India and for the stoppage of the exploitation of the masses of the toiling population of India by British Imperialism.

The struggle in Britain is developing in another direction. Mr. Baldwin was much more concerned about the opponents of his Indian policy in the Conservative Party than about the Labour opposition of whose artificial character he was aware.

It was for this reason that so much importance was given to the special meeting of the Central Council of the National Union of Conservative and Unionist Associations at the Queen's Hall on December 4 when the following amendment to the resolution, generally approving the Report of the Joint Committee, was moved by Lord Salisbury :—

> That the Council, deeply impressed with the responsibility of this country for the welfare of the masses of the Indian peoples, is ready to accept a well-constituted measure for Provincial Self-Government ensuring the due administration of the Police services in India, but earnestly hopes that Parliament will not take the irrevocable step of establishing central responsible government there on the lines of the White Paper, and the Report of the Joint Committee.

This amendment, representing the views of Mr. Churchill, Lord Lloyd and the India Defence League, was decisively rejected by 1,102 votes to 390, and the Conservative Press was able to claim that " the fight over India is finished." This may not be the case even inside the Conservative Party, for Mr. Churchill has got a backing of at least 80 members in the

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House of Commons while in the House of Lords the Diehard opposition numbered 62 against 239 who supported the Government. The Labour Peers did not vote at all.

R. Palme Dutt, whose study of Fascism has been no less profound than his study of the situation of India under British imperialism has summed up the British Conservative position as follows :—

> The driving force to the new phase of British policy in India has been typically the Conservative right wing, representing to-day the near-fascist wing, although the actual policy is the policy of the entire bourgeois bloc. The conflict between the Conservative Party over policy in India has revealed a steady advance in strength of the right wing led by Churchill and Lloyd against Baldwin ; this fight has been one of the signs of the advance towards fascism in the British bourgeoisie . . . .
>
> The differences from the point of view of the degree of reaction of the Constitution for India are of secondary importance, since most of the extreme right demands have been already accepted by the Government in the successively more reactionary drafting of the proposals ; but the issue for the future of British politics is of considerable importance, since the anti-democratic fight over India has thus been made the key issue for mobilising the diehard and pro-fascist wing in British politics. (*International Press Correspondence*, Vol. 4, No. 60, 1598.)

Liberal opinion is solidly supporting the scheme of the Joint Committee for Indian Constitutional Reform, and of course there will be no lasting co-operation between the Tory Right Wing and the Parliamentary Labour Party to defeat this reactionary measure. Memorable, however, is the fact that the most cunning imperialist politician of the day, Mr. Lloyd George, at the precise moment when he is preparing a return to active political leadership took no part either by speech or by vote in deciding this all-important imperialist issue.

The immediate prospects are therefore rather dark. The official opposition to this vitally important imperialist measure is half-hearted. The British masses are not being enlightened as to the significance of the Report on Indian constitutional reform from the working class viewpoint.

The Communist Party is anti-imperialist. It is working whole-heartedly for the freedom of all oppressed peoples and first and foremost for the freedom of India.

Is there no organised opinion outside the Communist Party which is anti-imperialist, which recognises the right of all nations to equality of status ?

There is the great mass of British youth, boys and girls, who see quite clearly that with the present system of repression and imperialist control of India the social progress and economic development of the whole world will be retarded.

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The youth is giving a lead to the whole country in this respect. The National Youth Council has decided to hold an " India Day," and is planning a preparatory campaign, the central idea of which will be to rouse the youth of Britain to an understanding of the conditions of the youth in India and to reply to the new India " Safeguards " Constitution. The campaign will be conducted on the widest possible lines with a view to drawing in the widest masses of people.

The youth will raise four main issues in the national campaign :—

(1) The question of the youth prisoners in Indian jails.

(2) The demand for full Trade Union and political freedom for the Indian people.

(3) The safeguarding of hours and conditions of labour.

(4) Educational facilities for the masses.

Classes and circles on India will be organised in every area in Britain, with mass meetings in the big towns.

A pamphlet explaining the imperialist character of the reform scheme will be published, cash will be collected to be sent to India as practical assistance to the Indian Youth groups and committees, articles dealing with the general conditions and explaining the exploitation in India will be prepared for as many newspapers, national and local, as possible.

The League against Imperialism at its Annual Conference in November called for the broadest possible campaign against the proposals of the Joint Committee. The League will fully co-operate with the National Youth Council in its decision to organise an " India Day." In this way the opposition of the British workers will once again be rebuilt this time on a sure foundation and this will provide the resistance to imperialism which the Labour Party leaders have shirked.

The present situation and its dangers must be faced by all. The reactionary recommendations of British Imperialism must be fought. The masses of the British people do not wish to dominate other nations. They are rapidly coming to appreciate the truth of the maxim of Marx and Engels, that no nation which enslaves another can itself be free. Britain is enslaving many nations. The British people is not free. Let us unite our efforts with the view to secure the complete national independence of India.

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A VOICE FROM THE LABOUR PARTY

By H. BRIERLEY

THE rank and file of the Labour Party have at last been awakened to the ineffectiveness of the present Party Constitution, as revealed by the Southport Conference. We know that Constituency Labour Parties have the responsibility, and the work of obtaining political representation of the Labour Party in Parliament, yet we fail at the Party's Conference to secure expression and discussion of Local Party activities, and have our resolutions and amendments over which we have spent much time and thought, autocratically withdrawn from the consideration of the Conference, despite their vital importance to working class policy.

In fact, Southport has again proved that under the present Party Constitution, the rank and file, as represented by the Constituency Parties have a valueless representation, and their resolutions and amendments are not worth the paper upon which they are written. Delegates returning from the Annual Conference and giving their reports have in many cases stimulated the workers into an action that will in all probability be in defiance of a reactionary Executive. Conferences of Federations of Constituency Parties are likely to be called and rank-and-file policy will be forced upon Headquarters in place of a policy of fake democracy and political wangling, as was exhibited at Southport, when delegates unused to annual conference tricks, were faked into allowing their resolutions to be withdrawn from the consideration of the Conference. These things have helped to strengthen the rank and file opposition to a reactionary Executive, and created a decision to break down all obstacles that stand in the way of building up a working-class united front in the struggle for Socialism. Here at these conferences is the opportunity of the rank and file to make a beginning to exert their will upon Headquarters. Here is their chance to consider matters with a common purpose for the establishment of the Socialist Commonwealth. These conferences want to be as widely representative as possible so that whole-hearted, determined and active support be given to the conveners.

When one hears of a certain Labour Leader, at a dinner after the Southport Conference, being quite hilarious about the fact that a number of delegates were kidded into withdrawing their resolutions on the thin excuse that they had been accepted by the Executive, it makes one think it about time we had the necessary representative power to stop these

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methods of curtailment, and in this case complete elimination of rank and file expression.

Now there are something like 600 Constituency Parties in the country and these parties at the Annual Conference, speak in many tongues ; if they can be brought together into associations, such as the proposed Home Counties Association, their delegates can discuss local party affairs, and formulate joint resolutions for the Annual Party Conference and the solidarity of an Association or Associations would discourage any attempt to withhold their resolutions from the consideration of the Conference.

The advance of Fascism in Europe, and the Capitalist policy and leadership of the Labour Party and Trade Unions, demands that we, the workers, must fight if we want Socialism, not the Socialism of the Southport Conference Platform that will benefit Capitalism and be an enemy of the workers, but the Socialism that will replace this insane system under which we exist, Capitalism.

Therefore, we, the rank and file, must line up with all militant workers in a united working-class front, and so to that victorious march forward over the menace of war, Fascism and on to the final overthrow of Capitalism.

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DR. SCHACHT TO THE RESCUE !*

By R. BROWN

Winter Crisis in Germany.

GERMAN Capitalism is now going through the severest of all the winter crises that it has experienced since the War and the inflation period. In foreign politics there is the threat of the loss of the Saar, which would be a still more severe blow than the recent defeat in Austria, whilst at home the system of supplying daily necessities and raw materials is breaking down. The Fascist Government is endeavouring to keep control of the situation and prevent a complete crash of the currency by " campaigns," decided overnight. Dictatorial powers have therefore been concentrated into one hand. The chief economic dictator is the President of the Reichsbank, Herr Schacht, the confidential agent of the big banks and finance capital and a personal friend of Montagu Norman of the Bank of England.

The Schacht Dictatorship.

This representative in the fullest sense of finance capital has the power to make the most far-reaching decisions. Every Nazi commissar must carry them out without question, while Hitler himself submits all important decisions to Schacht for his approval. Herr Schacht actually has the power of decision in his hands. By this centralisation of the dictatorship Fascism strives to master its desperate economic crisis.

Those of Schacht's opponents, who to a certain extent voiced the feelings of the intermediate sections of the population, have been overthrown. To escape the fate that befell Röhm, they have been compelled to eat humble pie. The Secretary of State, Feder, the author of the programme of the National Socialist Party (the Nazis), the man who invented the " theory " of " debt slavery," has been banished into the wilderness. He displayed unwillingness to carry out Schacht's orders rapidly enough. The district leader of the Nazi Party in Upper Silesia, Bruckner, became highly unpopular with the big agrarians and heavy industrialists who jointly are the economic dictators of that region. For Bruckner, after making some reference to the reckless subsidies of the State had dared to demand off the big agrarians a little of their land on which to settle the

*Some of the facts contained in this article are taken from *Fascism Make or Break*, by R. Brown, which will also deal with the most recent developments in Germany. This book will shortly be published in English by Messrs. Martin Lawrence.

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unemployed. Bruckner was relieved of his job. His further fate is still unknown.

The economic dictator Schacht holds at his disposal the apparatus of Fascist rule, but he has no plan likely to lead to a solution of the crisis. On September 24, 1934, he announced what he called "the New Plan," which aims at providing a sufficient supply of raw materials for industry. Imports, however, were only to be allowed with special permission from the State. In this way the importation of the most essential raw materials is intended to be secured. But the state planning of foreign trade is impossible under a system based on anarchic private capitalist production. Schacht does not know himself from one week to another how much money he can spare for imports. No German industrialist knows from day to day whether he may place an order abroad for raw materials absolutely essential for his business, whereas big trusts with influential connections in the various government departments, have no difficulty in obtaining permits to import. The only significance of the "New Plan" is that the purchase of raw materials abroad for the big trusts and for armaments, is ensured by the State in spite of its curtailment of imports and an extreme shortage of foreign exchange.

Raw materials and provisions for home consumption are either not imported at all or in such small quantities that only a fraction of the demand can be met. Old reserves are vanishing and hasty attempts are being made to resort to substitutes (*Ersatzproduktion*) just as was done during the wartime blockade. This scheme to supply the necessary raw materials is pure bluff on the part of the Fascist government. Even Schacht had to admit that, "We shall certainly have to tighten our belts, though there is no ground for despair. . . . The question of resorting to substitutes is merely a means to an end which is bound to be more costly than if we imported raw materials from natural sources abroad."

Inflation and Rising Prices.

Shortage of raw materials and inflated expenditure on armaments or "provision of work" are resulting in increased prices. Goods are getting dearer and worse in quality. A step towards inflation has therefore been taken. Savings are being exhausted and the apparent rise in turnover during the past few months must be ascribed solely to purchases by hoarders. For the consumption of foodstuffs shows a definite decline while the turnover in such trades as textiles, furnishing, etc., where reserves of cash can be invested, has increased. The *Frankfürter Zeitung* for September 26, 1934, reports that:

> The turnover for foodstuffs shows no longer any increase in September as compared with the same month in the previous year although the price of food has risen (according to the latest index of the Bureau of Statistics by 3 per cent.) . . . In this branch of trade there has been a

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> decline in the quantity purchased, whereas in the textile trade the turnover continues to be considerably greater than that of last year (an increase of 23 per cent. for September).

The feverish and partial revival of the market has quickly come to an end. Increased prices and shortage of goods rule the market.

The Fascist state is endeavouring to control prices but is actually powerless even to carry out a real system of rationing raw materials and foodstuffs. Finance capital is completely opposed to any state control, as during the war, of production or markets, consequently the State is forced to take over the responsibility for production for which it has no use at present in " peace time." The time has not yet come for the entire apparatus of production to be given over to the output of war materials. At the present time the big industrial monopolies are forced to sell off their goods on the open market if they are to realise their monopoly profits. Monopoly and Finance capital is therefore in favour of maintaining the competitive system. Schacht in a speech before the " Association of Central German Industrialists," October 30, 1934, declared quite openly in connection with his " New Plan " :

> After National Socialism had taken the helm its first task was to make it clear to foreign countries that they would get no more money from us. . . . I tell you that without this the so-called new plan is unworkable. The New Plan is atrocious, not only because it demands great sacrifices from us,—we are used to that all right,—but also because it is synonymous with an enormous mass of organisation and bureaucracy . . . . I am the greatest opponent of what is termed price regulation and laws against extortion ; but they can only be avoided if everyone is prepared to work together towards the common goal . . . .

The Fascist propaganda machine is concentrating all its energies on minimising the increase in prices or entirely concealing the fact from the public. A practical example from Frankfürt-on-Main will best illustrate the crude methods employed. At the end of October, 1934, the Fascist press in Frankfürt published a statement to the following effect :

> Contrary to rumours being circulated we wish to state that no increase has taken place in the price of bread, nor will such be permitted.

But we find in the *Frankfürter Zeitung* of October 27, 1934, the following :

> Frankfürt bakers (and also the bakers of the neighbouring towns) have discontinued the production of the cheaper qualities of bread . . . . It cannot be denied that this measure will react on certain sections of the population in the same way as an increase in prices since the cost of bread from now on will be higher.

What an irony of fate that the small townspeople, especially the small business man, should now be made responsible by the Fascist state for price increases. Already innumerable small business people have been thrown into prison. The National Socialist party organised a big campaign against the rise in prices at the end of October. It clearly reflected

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the absolute helplessness of the Fascist machine in the face of the economic crisis as well as the discontent of the masses. The *Frankfürter Zeitung* of October 27, 1934, reported the matter as follows :

> Various instances of price increases during the past months and weeks have repeatedly evoked unmistakable declarations from the government against such abuses. However, the public has not been as well satisfied as was expected. This question has now ceased to be merely an economic one and has gained political significance for the public as a whole. As a result the leaders of the party have decided on an extensive campaign to collect exact data on prices in order to be able to put an end both to justified complaints and to empty rumours and chatter. . . . When the campaign has completed its work the material collected will be submitted to the Reich Ministry of Economy.

Schacht's mouthpiece, *Der Deutsche Volkswirt* (November 2, 1934), wrote quite openly that the " immediate aim of the price investigation by the National Socialist Party was, and remains, the pacification of the masses."[1]

In an attempt to protect themselves against the pressure of competition the petty, independent middle classes established " price agreements " and minimum prices following the phraseology of the " Corporate State." The powerful industrial and agrarian monopolies, organised by the government have nothing to fear from the Fascist Price Commissar. Only the independent middle class, in its endeavour to help itself, is threatened. It is an unpleasant awakening for the small trader or handicraftsman from the dreams of an assured existence under Fascism. This is what Gördeler, the Commissar for Price Control, said in October last :

> I have therefore decided that all price agreements should have my endorsement, and also made it obligatory that notice be given of all such agreements entered into since June 1st, 1933. If they do not bear examination they will disappear. . . . .

Doctor Gördeler, the new Price Control Commissar, who held a similar position under Chancellor Brüning with little success, is haunted by the fear that the workers may demand wage increases to meet the rise in prices. Previously, every increase in food prices was followed by a sham " order " making all such increases impossible. Gördeler says quite openly to the workers that, should they demand wage increases, they will be responsible for bringing about inflation. This is what he says :

[1] " A discussion on prices has unexpectedly arisen in Germany. . . . We recall wartime prices . . . . and ponder over the continual campaign waged for minimum prices by the cartels. . . . The situation to-day requires a fixed wage level until unemployment has been overcome, and also control of currency and raw materials. That has given the appearance of certain ' war ' traits to some of our branches of economy. . . . The public asks why certain goods cost more. It becomes uneasy at the thought that the more such prices increase the more the purchasing value of the fixed nominal wage will decline. The recent increase acts as a reminder of previous increases and suddenly makes the old feeling vivid again. . . . . The price investigation undertaken by the National Socialist Party was, and is, intended to pacify the masses. . . . . German enterprises, with but few exceptions, have nothing to fear. . . . . The party leadership has already warned the organisers of the investigation against hasty and ill-considered judgments." (*Der Deutsche Volkswirt*, November 2, 1934.)

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> Every increase in wages brings with it a corresponding rise in prices, which again will give rise to further demands for increased pay. During the past few months a widespread rise in prices has taken place which the bulk of the population fails to understand. Certain foodstuffs cost more for reasons which the Government very plainly explained and justified. In many branches of trade the minimum price had to be abolished, especially where the burden of the common need was not involved. . . . In the drive for efficiency price agreements defeat their own end.—(In an address at a press conference on November 8, 1934.)

What Schacht is really driving at is to bring about a further reduction in wages and a further curtailment in the income of the middle classes. The secret of his policy lies in his desire to ensure the continuance of the armaments policy of German finance capital together with their foreign trade war by lessening the share of the masses in the social product. During the first year of Hitler's régime wages were cut on an average by 10—20 per cent., whilst the bulk of unemployment funds was used on armaments. The second year of his régime sees a continuance of wage reductions by means of inflation and rising prices.

The Decline in the Standards of the Working Class

All sections of the workers are involved in the new social decline in the standards of living of the working class, the skilled worker no less than the unskilled. Before the victory of Fascism those groups, which were economically the stronger and relatively well organised in trade unions, were able to fight for higher wages in good times and ward off serious cuts in times of economic depression. This exceptional position of the skilled worker has ceased to exist. In some sections wages for skilled workers have fallen still more than those of the unskilled. This is especially the case where previously they were powerfully organised and thus were able to resist onslaughts on their wages.

The best paid workers were the printers who were in a position to combat wage reductions on account of their good organisation. Conditions at present for this group may be best illustrated by quoting a statement in the Fascist printers organ, *Der Korrespondent*, published by the " German Labour Front."

Letter of application from a young Unemployed Printer in Fascist Germany, 1934 :

> The undersigned humbly asks for a position as hand or machine compositor in your firm. As wages I would be glad of board and lodging and a little pocket money. I have been unemployed for more than two years and should like to end this life of inactivity and get back into my profession. . . . I am a trained compositor, 26 years of age, evangelical, four terms technical school, single ; best references . . . attending the compositors' school, etc.

An advertisement in a printer's trade paper runs :

> Son of a master printer, reliable, 22 years old, party member, gravure and letterpress machine minder, knowledge of the Heidelberg automatic and platen presses, desires to change his work in return for board

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and lodging and some pocket money. Also some knowledge of bookbinding. Replies to . . . (From the Fascist *Korrespondent*, September 2, 1934).

The *Deutsche Arbeitsfront* published statistics of the average wage for German workers in June, 1934. These wage returns make no allowance for deductions for taxes, etc., which constitute at least 25 per cent. of the wages paid. On the assumption that the Fascist returns are correct the weekly wage paid to skilled workers in June, 1934, works out at :[2]

	Marks
Woodworking Industry	19.91
Metal ,,	24.11
Textile ,,	16.10
Tobacco ,,	9.15
Public Services	21.67
Leather Industry	22.18
Provision Trades	19.23
Factory Workers	15.04

The lowest paid workers are not included in this survey such as agricultural and home workers, domestic servants, etc., who receive a still lower wage. Furthermore, these returns do not take into consideration the deductions made for short time. For instance, almost half of those employed in woodworking were on short time, whereas the " weekly wages " reported above were based on the multiplication of the wage for the hours worked in a full week.

In an order dated August 7, 1934, the following wage scale was fixed for the economic district of Saxony by the " Trustee for Labour " (gross wages minus 25 per cent. average deductions).

Wage scale for hours worked by women cutters, women machinists, and pressers :

Age	Wage—pfennig
14—16	18–17
18—20	26–24
Over 20	32–27

Rates for men :

	pfennig
Skilled cutters over 20	41
Designers	47
Market porters	22
Lorry drivers	54

On September 20, 1934, the " Trustee for Labour " fixed the following scale for wood workers and wooden toy makers in his own district (gross wage minus an average 25 per cent. deduction).

[2]The mark (100 pfennigs) is equivalent at present rates of exchange to 1s. 7½d. Taking the lowest wage in the above table, that for the Tobacco industry, it would therefore be equivalent to 14s. 10½d. per week in English currency. Real wages, however, are even lower than this result indicates, as the cost of essential foodstuffs is now relatively much higher than in Britain and is continuing to rise ; for instance, bacon, which was 1.81 marks per kilogram in January, 1933, had risen to 1.69 marks in September of that year and to 2.21 marks in September last (1934). Dried peas likewise showed similar rises from 43 pfennigs to 49 and to 81 pfennigs respectively. The same is the case for many other essential foodstuffs.

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Wage scale for hours worked by :

	pfennig
Skilled workers over 22 years	52.47
,, ,, ,, 20—22 years	47–41
,, ,, ,, 19—20 ,, ...	36–30
,, ,, ,, 18—19 ,, ...	34–28
,, ,, ,, 16—18 ,, ...	29–23
Semi-skilled workers (adults)	47–41
Assistants	42–38
,, (women)	29–23

Fascism has not been able to satisfy those sections of the working class which are of special importance for production. It has taken over the Trade Unions, that is to say the membership lists, offices, a well-organised book-keeping system, and to a certain extent some corrupted ex-reformist secretaries. But it has not won over the Trade Union membership. On the contrary, they have been the heaviest losers and the hardest hit by the Fascist attempts to deliver them up helpless before the arbitrary will of the employers and wage-cuts. Fascism has tried to employ in the German Labour Front those who still have contacts with the workers, or who might possibly establish such contacts. But there is no longer any question of negotiation. In order to maintain their prestige with the workers certain " leaders " of the German Labour Front had tried to avoid taking any active part in the wage-cut onslaught, or in carrying out the policy of the employers. This could not be countenanced. Every word of criticism, however demagogic, might be taken seriously by the workers and consequently have results " dangerous to the State." Nevertheless, the advanced guard of the workers is coming together again, mainly under Communist influence, in illegal united Trade Unions. They are organising the most important opposition to the Fascist system among the workers in the factories.

There will be no counting the victims of the winter crisis of 1934-35. Hundreds of thousands of workers' families, who are class conscious or not in especial favour, are being left to starve by the Fascist State. The middle classes are being pressed still further down the social scale. But still Fascism calls aloud for " National Unity " to help Fascism to rule openly in the Saar. Fascism has cleverly contrived to utilise the bulk of domestic production for monopoly profits and armaments. Through the formation of new State organisations the production of armaments is being continued despite the worst possible period of crisis, which is reflected in the shortage of raw materials, foodstuffs and exchange. War is the *way out* for finance capital, though the Fascist State especially in Germany must shrink from giving arms to the workers again. It will, therefore, prefer to be dragged in the wake of British Imperialism with whose financial help it will make its immense armaments capacity available for use against the Soviet Union.

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AGRICULTURE AND INDUSTRY IN IRELAND

By GEORGE GILMORE

(*Concluded.*)*

THE Land Act of 1923 and the whole policy of the Free State Government presses upon the small farmer. That Act, in effect, confirmed their ownership in the ranches to the graziers and the big farmers. The " big farmer " policy and the rationalisation of agriculture in his favour is squeezing out and impoverishing the small man. Consolidation of farms is in progress, leading up to a new widespread landlordism and an accentuation of rural poverty.

North and South, the conditions point to an even further decrease in live stock, because the farmer must sell his stock to meet his obligations, and to the poorer farmers who are already understocked it will mean that the reserve annually required for the necessary increase in stock cannot be made owing to the larger share of the product being required to meet rents, annuities, and bank debts, and the adverse balance in agriculture shown in the contradiction between agricultural prices and the cost of living. For the rancher and big farmer relying mainly on cattle-raising, affairs have been satisfactory up to recently, for the price of his product held while costs and charges had not greatly increased.

The census of Production for 1926 showed a total of over £88,000,000, of which £64,750,000 represented agricultural production. Of this £88,000,000 the total amount paid to wage-earners in both agriculture and industry amounted to about £20,000,000. If we assume an average income of 25s. per week for each member of the 285,000 persons constituting the total working farmer population living on holdings of 30 acres and under, we get a total income of approximately £18,500,000. The total share, then, of the wage-earning classes and the working farmers was about £38,500,000. Write off the £8,500,000 for taxation (it was more) and this leaves £30,000,000. The other £58,000,000 went to the big employing farmer, to the commercial, industrial and financial profits, in annuities, taxes, rents, and was generally dispersed among the exploiting interests.

*This is the concluding section of the substance of a report personally given by the well known Irish Republican leader, George Gilmore, to the Republican Congress held in Dublin on September 29 and 30 last year, on behalf of the Organising Bureau of that Congress. The first half appeared in the December, 1934, issue, copies of which can still be obtained post free 7d. each from The Manager, the LABOUR MONTHLY, 7 John Street, London, W.C.1.

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When we come to examine the position of the actual producers on these farms we find a picture of squeezing out and impoverishing of the " small man," consolidation of small holdings, and a newer landlordism developing with which the division of the ranches, slowly and cautiously attempted at present, does not cope.

In 1911 the number of separate holdings under 30 acres was 400,000 ; in 1926, the number was 290,000 and in 1932, only 240,000.

In 1926 (the last Census) there were 670,000 persons returned as following agricultural occupations. Of this number there were 280,000 farmers and their relatives (actually 150,000 farmers) living on holdings under 30 acres. The number of paid agricultural employees was 139,000 ; so that the " small-farmer-plus-labourer " element amounted to 420,000 persons.

In 1926 there were 402,744 holdings in the Free State. In 1934 there were 379,060 holdings in the Free State.

Despite land division the peasant-proprietors are not increasing : on the contrary, consolidation of small farms is evidently taking place.

In 1926, 44 per cent., or 167,000 of the 400,000 holdings were under 15 acres. In 1932, 39 per cent., or 147,000 of the 379,000 holdings were under 15 acres.

Thus there was both a relative and absolute decrease in the number of small holdings. These small holdings had covered 6.4 per cent. of the total area in 1926 ; but in 1932 they only covered 5½ per cent. ; that reveals that the average size of the holding fell from 7.4 acres in 1926 to about 6.4 acres in 1932. Smaller number ; smaller holdings.

To take in the holdings under 30 acres we get these figures :—

In 1926, 260,000 or 63½ per cent. were under 30 acres, making 20 per cent. of the total area. In 1932, 237,000 or 63 per cent. were under 30 acres, making 17 per cent. of total area.

Two-thirds of the agricultural population (excluding labourers) live on one-fifth of the land. In the Six Counties roughly the same picture : 68.2 per cent. of the holdings occupy 30 per cent. of the land.

This proves the failure of the Land Acts to attain any kind of just or equitable distribution of the land ; for one-third of the agricultural population (the ranchers and big farmers) still owns four-fifths of the land ; that is, they occupy 2½ times as much as they are entitled to on a fair distribution of the land. In the Six Counties holdings under 15 acres represent 40 per cent. of the total number, but only cover 12 per cent. of the land. Thus, roughly speaking three persons are crowded on to an area which should be occupied by one were all the land made available for distribution.

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If it were possible properly to estimate the actual value (apart from valuation figures) of these small holdings, most of them in the poorest and most backward parts of the country, the situation of the small farmers would seem to be far worse, but enough has been given to justify the drive on the ranches and to show how the heaviest burden falls on the weakest section of the agricultural population.

In relation to these 139,000 paid agricultural employees in the 1926 census, 126,000 of them are listed as labourers. In the Six Counties there were about 40,000 at the same date.

Males:	Engaged in farm work	Year 1927.	Year 1932.
1.	Members of the family	464,000	410,000
2.	Other permanent workers	87,000	89,000
3.	Temporarily employed	45,000	60,000
2 & 3.	Other than members of family	132,000	149,000
	Total Number of males	597,000	559,000

This shows a decline in number of the farmers' own family employed at home, an increase of 15,000 in the temporarily engaged and therefore, in the worst-off section of this grouping, while the number supported by the land has fallen by 38,000 males in five years !

The earnings of the permanent male agricultural labourers in Leinster fell from 28s. 6d. weekly in July (the best month), 1925, to 23s. 6d. in July, 1932, a fall of 5s. in a wretched wage of this class of labourers who were stated not to have free house or allowance or perquisites of any kind. In Munster the wages remained steady, in Connacht and Ulster they dropped 1s. 6d. per week in same period. Compared with 1926 there was a decrease in 1932 of 8% for the Free State, but as during this period the cost of living index dropped by 16 per cent., the condition of the labourers, while no better, is not worse than it was from the viewpoint of wages. The average rates of wages for hired male labourers over 21 years with full board and lodgings showed a drop of £2 per half-year for the 26 Counties (Ulster's three counties fared worst with £2 5s. 0d.). On a wage of this character a drop of 10 per cent. is a considerable amount, and relatively speaking, the hired indoor labourers fared worse than those with weekly earnings living out.

A part of the Agricultural problem has been the cessation of emigration. From 1926 on, with the deepening crisis in the United States particularly as a reason, there was a rapid decline in emigration from 30,000 down to vanishing point in 1933, when less than 1,000 went to seek their fortunes abroad. At the same time there was a gradual increase in the number of returning Irish men and women who found the economic blizzard in the States too difficult to withstand and who had heard rosy tales of the new industrial development proceeding apace under the Fianna Fail Government. But since the peak point in 1932, there have been far less returning to participate in an illusory prosperity.

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The crisis in agriculture has had the result of increasing the flight from the land. From being a pre-eminently agricultural country in the Famine period, Ireland is rapidly developing a population more evenly distributed between "the country" and the larger towns. Since 1841 the population has continuously and deplorably declined; an indication of the benefits of the Conquest. Alongside this decline has gone a rapid falling of the population of "the country," meaning by that all the people who live outside towns of 200 inhabitants or over. The number of persons in the "country districts" fell from 5,300,000 in 1841 to 1,900,000 in 1926 (the last Census period). Over the same period the population of the capital, Dublin, and its four adjoining urban districts, rose continuously from 285,000 to 419,000. From 1851 to 1891 there was, concurrent with the general fall, a steady decline in the total population in the towns, but after that date the town population has grown without a break.

Still some 63 per cent. of our people live in "country districts." But since 1841 these districts lost 64 per cent. of their population, the smaller towns less, and only Dublin and its suburbs grew. The smaller the town the worse it fared and the districts outside towns fared worst of all. Thus, we see a dwindling of our farmer stock and a big growth in the number of town-living persons, leading to a more even balance between the agricultural and non-agricultural sections, together with the rise of a well-knit closely organised working class. While the city population grows the congestion worsens as far as housing conditions are concerned. This leads to the horrible plight of the slum dwellers which has called forth such emphatic protests and aggressive defence in cases of evictions in Dublin, Cork and Waterford. In the 26 Counties 21 per cent. of the people were living in one or two rooms; in Dublin County Borough just half the people were smothered in one or two rooms, many in an unsanitary condition, unfit for human habitation.

Here I need not refer elaborately to the Unemployment problem. It grows steadily despite all the measures which we are assured are being taken to reduce it. The unemployed remain the most wretched section of our community; they still are the untouchables of Capitalism.

As a comment on our "growing prosperity" the number of those receiving Home Assistance, as Poor Relief is now called, increased from 57,000 in 1928 to 77,000 in 1931, or from 20 to 26 persons for every 1,000 of the population. The expenditure under Poor Law Acts mounted up by £200,000, and the amount expended on outdoor relief and home assistance fell from 14s. 3d. per person per year in 1928 to 13s. 7d. in 1931.

Turning now to the industrial situation we get the following picture:— The number of disputes has varied from 86 in 1925 to between 50 and 60 for the next four years and then again for the three years 1930-32

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inclusive, there was an average of 70 a year. The balance of success went to the employers in 1925 and for the next three years the intensity of the industrial conflict, as measured by the number of working days lost, diminished, with one break, until 1931, when the Building Trade Dispute rang up a record figure of 310,000 days lost to production ; the highest for eight years. The workers have, after a series of defeats, somewhat stemmed the tide of the employers' demands for reductions and worsened conditions, and the number of fights wholly or partly successful from the workers' point of view shows a rising militancy which is accentuated by the recent Waterford Builders' Strike and the dispute in the printing trades.

There is a great deal said about the reviving internal market under the " self-sufficiency policy " as something to offset the collapse of the export trade (principally to Great Britain), but the railways evidently are not sharing in this inland borne traffic of goods and passengers which should be a natural consequence.

The Great Southern Railway registered a fall in all receipts (from passengers, mails and goods) from £4,1000,000 in 1928 to £3,040,000 in 1932, and the Northern system from £1,550,000 to £1,170,000 ; a drop respectively of £1,060,000 and £380,000, or together £1,440,000.

After deducting the expenditure the net receipts of the G.S.R. fell from £760,000 to £400,000, and those of the G.N.R. from £240,000 to £68,000 ; or a total fall of £532,000.

This fall in railway workings is reflected in a decrease in the number of employees from 18,000 in 1928 to 15,000 in 1932 in the 26 Counties ; these 3,000 less employees were in receipt of about £8,000 less than the total employed in 1928. Since 1932 there has been a further decrease of some 500 railway employees.

In contrast to the railways we have a remarkable rise in the volume of 'bus traffic. Since 1929 over seven millions more vehicle-miles were run ; the number of passengers carried increased by £36 millions and the gross receipts from them increased by £300,000.

And finally according to the Preliminary Report of the Census of Production for 1931, only published in December, 1933, and March, 1934, covering 20 of the main industries, we find the following :—

(1) The wages paid in 1931 as compared with 1929 had decreased by £16,400 (in 13 industries wages fell by £136,800, which is offset by increased wages in seven industries of £120,400).

(2) The number of wage-earners had increased by 262 (in all industries 1,438 more were employed, but as against this, in eight others there was a fall of 1,176 in the number employed).

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(3) This slightly increased number of workers receiving a greatly diminished wage had increased the net output of industry by the substantial amount of some £412,000.

From this picture it is evident that the inescapable conclusion is that Capitalism is in decay in Ireland. Reviewing the situation in the North and South we cannot escape from this conclusion. In the North-East, Ulster, we have a close economic and financial alliance of the big industries there with those of Imperial Britain ; in contrast to this, we have in the Free State an attempted policy of " national self-sufficiency " with its tariffs, subsidies, industrial State loans, governmental participation in, or control of, industrial monopolies. In both areas we feel the burden of increasing unemployment ; the shuddering misery taking root ever deeper amongst the worst-off sections of the working masses ; the deepening revolt, more immediately apparent among the better organised sections, against oppressive conditions and insufficient wages ; the ominous discontent spreading generally in town and country. Neither the Union Jack in the North nor the Tri-colour in the South sheds industrial peace or prosperity on the workers. Neither close alliance with Industrial Britain, on the one hand, nor growing separation from it, on the other, can save from collapse and chaos the industrial organisation of the country under capitalism.

The different sections of the capitalist class display their solidarity in defence of the profits of exploitation in the face of the continual upsurge of the exploited. They are stiffened in their resistance to the workers' demands by the knowledge that the full weight of the Capitalist State stands ever-ready to preserve their " rights " to make individual profits out of a social process of supplying the nation with the necessaries of life.

Industry is being organised on an ever higher level of technical perfection ; simultaneously, the mass of underpaid female, juvenile, and unskilled, adult labour grows. In a fiercely competitive period of general crisis hastening into decline and collapse, the urge to maintain and increase profits and to cut losses, leads to continual reorganisation of workshop and factory with a view to eliminating uneconomic processes, cheapening labour costs, hurrying on the speed of the labour routine, displacing of skilled labour by semi-skilled or unskilled labour, of adult by juvenile labour, of " dear labour " by " cheap labour "—all this at the expense of the earning powers and leisure of the working-class, and consequently to the detriment of the health and happiness of the worker, his wife and children.

Local reorganisation leads to and is intensified by a growing monopolistic national organisation of industry not in the interests of the country and its people, but in the interests of a small band of profiteers helped on by State assistance or control ; the E.S.B., the Milling Industry, monopoly

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of road and rail transport. The whole financial resources of the State are lavishly used to build up a native capitalism in the worst traditions of the English Industrial Revolution ; everything to facilitate the exploiter, nothing to protect juvenile labour from the greed and rapacity of the master-class. With all the subsidies, tariffs, and governmental participation in industry to help on the weak industrialists, the English combines maintain their stranglehold on the most important industries—in fact the Fianna Fail Government has facilitated several of the big Cross Channel Combines in securing the Irish market for their exclusive exploitation. The individual small capitalist sinks in importance. He is controlled, directly and indirectly, by all the amalgamations, combines and master federations that have taken place in his or allied industries ; his raw material, his market for the sale of his products, his finances are all subject to giant forces that reck little of his own petty interests.

The industrial combines as well as the big distributive concerns come under control and direction of the banks. The whole economic life of the country is subject to the will and desire for plunder of a few financial magnates, linked and subordinate to the Bank of England, who do not hesitate, when they wish, in the interest of Imperial Britain, to dictate to the Free State and Northern Governments.

The solution of the whole industrial problem is dependent on the satisfactory solution of the political question. The satisfactory solution of the political problem can only be in terms of giving the workers and small farmers, organised as the State power of Ireland, complete control of the industrial equipment of the country, independent of English domination and capitalist ownership. To abolish the cause of all our disabilities we must dissever our country's economic as well as political life from that of Imperialist England ; we must not only destroy the political links that bind us to the British Empire, but as well the economic links in the shape of the capitalist system—the thousand links of gold—that bind us to the economic system of England, built up as it is, on the ruthless exploitation and oppression of half the people of the globe.

Until the capitalist States in Ireland are superseded by a United Workers' State for all Ireland, there can be no national planning of industry such as is conditioned by present day developments to meet the needs of the masses for food, clothing, shelter and cultural advancement. Once political barriers are broken down, the workers will establish their organs for the industrial rehabilitation of the whole country, and forge a link between the Industrial North East and other industrial centres in the South with agricultural regions of the country ; will change the exploitation of man by man into an organised exploitation by society of our natural resources for the benefit of the nation as a whole, and develop an export trade of exchange of commodities with other peoples

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on the basis of social need and use, instead of individual profit for shipping, exporting and collecting companies.

The only way out of this situation for the Irish workers and peasants, both in the North and in the South, is to work in alliance with the British workers for these immediate objects adopted by the Republican Congress last September: (1) The repudiation of the Treaty of 1921 and the abolition of the penal measures of 1920 and all other repressive legislation. (2) The withdrawal of all British troops from Ireland and the cessation of British subsidies to the Imperial clique in Northern Ireland. (3) The cessation of the British economic boycott and the complete expropriation without compensation of all British interests in Ireland. (4) The widest possible support for all wage movements, unemployed demands and housing struggles. (5) Struggle to give free land to the landless, for the withdrawal of all bank actions against working farmers both as regards interest and capital, the lifting of the burden of the Land Annuities from the working farmers. (6) For the United Front of the working class and small farmers in order to rouse all the exploited people of Ireland to work for a Free United Irish Republic.

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ON THE JUNIUS PAMPHLET

By V. I. LENIN

[*This article written by Lenin in August*, 1916, *was published in October*, 1916, *in the first issue of the journal* "*Sbornik Sozialdemokrata*" (*Collection from the Social Democrat*). *This journal had only one further issue as it ceased publication with the beginning of the February Revolution in Russia.* "*Junius*" *was a pseudonym adopted by Rosa Luxembourg during her illegal activity. The publication of this article which has been specially translated from the Russian for the* LABOUR MONTHLY, *falls on the eleventh anniversary of Lenin's Death and the sixteenth anniversary of the murder of Rosa Luxembourg.*]

A SOCIAL-DEMOCRATIC pamphlet on the question of the War has at last appeared in Germany, illegally, and without conforming to the infamous Junker censorship! The author, who appears to belong to the "left radical" wing of the Party, signs himself "Junius" (which means "the younger" in Latin) and calls the pamphlet "The Crisis of Social Democracy." The supplement to it contains the "Theses on the Tasks of International Social Democracy" which had been put forward in the International Socialist Commission in Berne and printed in the third number of its bulletin; they belong to the "International" group which issued in the spring of 1915 one number of a journal of this name (with articles by Zetkin, Mehring, R. Luxembourg, Thalheimer, Duncker, Ströbel, and others), and which held in the winter of 1915-16 a conference of Social Democrats from all parts of Germany, at which these theses were adopted.

The pamphlet was written in April, 1915, as the author explains in the introduction dated 2nd January, 1916, and was printed "without any alterations." "External circumstances" prevented it from being published earlier. The pamphlet is not so much devoted to the "crisis of Social Democracy" as to the analysis of the War, to the refutation of its alleged liberating and national character, to the proof that it is an imperialist war both on the part of Germany and of the other great powers; and to a revolutionary criticism of the behaviour of the official Party. The Junius pamphlet, very vividly written, unquestionably has played and will still play a large part in the fight against the desertion of the German social-democratic party into the camp of the bourgeoisie and the Junkers. We welcome the author wholeheartedly.

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The pamphlet does not contain anything new as to fundamentals for the Russian reader who is acquainted with the social-democratic literature printed abroad in the Russian language in the years 1914-1916. When you read the pamphlet and compare what was laid down, for example, in the Manifesto of the Central Committee of our Party (September–November, 1914), and in the Berne resolutions (March, 1915), and in their numerous commentaries, with the arguments of the German revolutionary Marxists, you become convinced of the marked inadequacy of Junius' arguments and of two mistakes which he commits. In devoting the following pages to the criticism of the defects and mistakes of Junius, it is necessary to emphasise that we are doing this only because of the indispensability of Marxist self-criticism and of a constant examination from all angles of the views which are to serve as the ideological basis for the Third International. The Junius pamphlet in general and as a whole is an excellent piece of Marxist writing, and it is quite possible that its shortcomings are to a certain extent accidental.

The chief defect in the Junius pamphlet—and this is a definite step back compared with the legal (though it was prohibited immediately on its publication) journal, "*International*"—is its silence on the connection between social-chauvinism (the author uses neither this term nor the less precise term, social-patriotism) and opportunism. The author quite correctly speaks of the "capitulation" and collapse of the German Social Democratic Party, of the "treachery" of its "official leaders," but goes no further. And yet the journal, "*International*," gave a criticism of the "centre," i.e. Kautskyism, quite correctly covering with derision its characterlessness, its prostitution of Marxism, its cringing before the opportunists. The same journal *began* the exposure of the real rôle of the opportunists by publishing, for instance, the highly important fact that on August 4, 1914, the opportunists arrived with an ultimatum, with a decision ready to vote in *any* case for the credits. Neither in the Junius pamphlet nor in the theses is anything said about opportunism or about Kautskyism! This is theoretically wrong since it is impossible to *explain* the "treachery" without connecting it with opportunism as a *tendency* which has a long history—the history of the whole Second International. This is also a mistake from the point of view of practical politics, since it is impossible to understand the "crisis of social-democracy" or to overcome it, without making clear the significance and the rôle of *two tendencies:* the openly opportunist (Legien, David, etc.), and the veiled opportunist (Kautsky and Co.). This is a step backward compared, for instance, with the historical article by Otto Rühle in *Vorwärts* (January 12, 1916) where he frankly and openly proves the *inevitability* of a split in the German Social Democratic Party. (The editors of *Vorwärts* answered him by repeating sugary and hypocritical Kautskian phrases, without finding a single fundamental argument

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against the fact that there already are *two* parties and that it is impossible to reconcile them). This is surprisingly inconsistent, since the 12th thesis of "*International*" speaks *directly* of the necessity of forming a "new" International in view of the "treachery" and "desertion to the camp of bourgeois-imperialist politics" by the "Official representatives of the socialist parties in the leading countries." It is clear that to speak of the participation of the old German Social Democratic Party or of a party which accepts Legien, David, etc., in the "new" International is simply ridiculous.

We do not know how this retrograde step by the "International" group can be explained. The greatest failing of the whole of revolutionary Marxism in Germany is the absence of a firm illegal organisation, which would pursue its line systematically and educate the masses in the spirit of the new tasks. Such an organisation would have to take up a definite position with regard to opportunism and Kautskyism. This is all the more indispensable since the German revolutionary Social Democrats have now been deprived of two daily newspapers, the *Bremer Bürger-Zeitung* and the *Volksfreund* of Braunschweig, which have both gone over to Kautskyism. *Only* the group of the "International Socialists of Germany" (I.S.D.) remains at its post—clear and definite to all.

Several members of the "International" group have apparently again fallen into the mire of unprincipled Kautskyism. For instance, Ströbel has gone so far that in the *Neue Zeit* he bows down before Bernstein and Kautsky! And just in the last few days, on August 15, 1916, he published in the papers an article on "Pacifism and Social Democracy" with a defence of the most cowardly Kautskian pacifism. As to Junius, he makes a most resolute stand against the Kautskian scheming in the spirit of "disarmament" and the "abolition of secret diplomacy," etc. It is possible that the "International" group contains two trends: a revolutionary trend and one inclining towards Kautskyism.

Turning now to Junius' mistaken conceptions, we find the first of these embodied in the fifth thesis of the "International" group: "... In the era of unbridled imperialism, there can no longer be any national wars. National interests only serve as a means to delude the working masses of the nation and so hand them over to the service of their mortal enemy, imperialism." The beginning of the fifth thesis, which ends with the above sentence, is devoted to a characterisation of the *present* war as an imperialist war. It may be that the denial of the possibility of national wars in general is merely an oversight, merely an accidental enthusiasm arising out of the emphasis on the entirely correct conception that the *present* war is an imperialist and not a national war. But since the opposite may also be possible; since the mistaken denial of *all* national wars on account of the false representation of the

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present war as a national one, is found amongst several Social Democrats —we must not pass over this mistake.

Junius is quite correct when he emphasises the decisive importance of the "imperialist character" of the *present* war, when he says that behind Serbia there stands Russia, that "behind Serbian nationalism there stands Russian imperialism," that, for example, Holland's participation in the war would *likewise* be of an imperialist character: for Holland would in the first place be defending her colonies, and secondly, would be an ally in one of the *imperialist* coalitions. This is indisputable with regard to the *present* war. And when Junius here lays particular emphasis on what seems most important to him—the fight against the "phantom of a national war," which "at the present moment dominates social-democratic policy" (p. 81)—then it is impossible not to admit that his reasoning is correct and entirely appropriate.

The only fault is that he exaggerates this truth, takes up a stand which is remote from the Marxist postulate of concreteness, transfers his estimate of the present war to all possible wars under imperialism, and disregards the national movements *against* imperialism. The only argument in favour of the thesis that "there can be no more national wars" appears to be that the world is now divided between a handful of "great" imperialist powers, and that therefore every war even though national in its inception—*turns* into an imperialist war, since it will touch the interests of one of the imperialist powers or coalitions (p. 81 in Junius' pamphlet).

Marxist

The incorrectness of this argument is obvious. It is, of course, understood that the fundamental concept of Marxist dialectics is that all discrete units in nature and in society are conditional and capable of movement, that there is no *single* phenomenon which could not, under certain circumstances, turn into its opposite. A national war *may* turn into an imperialist war, and vice versa. One example: the wars of the great French revolution began as national wars and were national wars. They were revolutionary: they stood for the defence of the great Revolution against the coalition of the counter-revolutionary monarchy. But when Napoleon had created the great French Empire by subjugating a whole series of European national states—states that had long existed, big states that were capable of living—then the national French wars changed into imperialist wars which in *their turn* produced national-liberatory wars *against* Napoleonic imperialism.

Only a sophist could blur the distinction between imperialist and national wars on the grounds that the one *may* turn into the other. Dialectics has more than once—even in the history of Greek philosophy —served as a bridge to sophism. But we remain dialecticians, fighting against sophisms not by denying all possibilities of changes in general, but

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as a means to reach to a concrete analysis of a *given* phenomenon as much in its momentary position as in its development.

It is in the highest degree improbable that the imperialist war of the years 1914-16, should turn into a national war ; because the class which represents a forward development is the proletariat, which objectively strives to change the war into a civil war against the bourgeoisie ; and also because the relative position of forces in the two coalitions are not very different, and because international finance capital has everywhere created a reactionary bourgeoisie. But we cannot declare such a transformation to be *impossible : if* the European proletariat proved to be powerless for twenty years, *if* the present war should end with Napoleonic victories and the subjection of a whole series of national states that are capable of life ; *if* non-European imperialism (mainly Japanese and American) should also hold out for twenty years, without going over to socialism, for instance, as a result of a Japanese-American war,—then a large-scale national war in Europe would be possible. This would mean for Europe a *retrograde* development of several decades, and is improbable. But it is *not* impossible, since it is non-dialectical, non-scientific, and theoretically incorrect to imagine world history as progressing smoothly and accurately forward, without occasional enormous retrogressive steps.

What is more, in the period of imperialism, national wars on the part of colonies and semi-colonies are not only probable but *unavoidable.* In the colonies and semi-colonies (China, Turkey, Persia) there live almost a thousand million of people, that is *more than half* the population of the world. National-liberatory movements are here either already very strong, or are growing and maturing. Every war is a continuation of politics by other means. The continuation of the national-liberatory politics of the colonies must *necessarily* be national wars on their part *against* imperialism. Such wars *may* lead to an imperialist war of the present " great " imperialist powers, but they may also not lead to this—it depends on a number of circumstances.

To take an example : in the Seven Years War Britain and France were fighting for colonies ; that is, they were waging an imperialist war (which is possible on the basis of slave rule or of primitive capitalism just as much as on the contemporary basis of highly developed capitalism). France was vanquished and lost a part of her colonies. Several years later there began a national-liberatory war of the North American States against Britain alone. France and Spain, who still owned a part of the present United States, were led by their hostility to Britain—that is, by their imperialist interests—to enter into a friendly agreement with the States that were rebelling against Britain. French troops fought along with the Americans against the English. We thus see a national-liberatory war, in which the imperialist co-operation appears merely as

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a secondary element without serious significance—the very opposite to what we see in the present war (where the national element in the Austro-Serbian war has no serious significance compared to the basic imperialist rivalries). From this we can see how senseless it would be to take the concept of imperialism as a formula and to deduct from it the "impossibility" of national wars. A national-liberatory war, e.g., an alliance of Persia, India and China against this or that imperialist power, is completely possible and probable, since it would originate from the national-liberatory movement in these countries. The transformation of such a war into an imperialist war between the present imperialist powers would depend on many concrete circumstances which it would be absurd to take for granted.

Thirdly, even in Europe we cannot assume that national wars are impossible in the era of imperialism. The "imperialist era" has made the present war into an imperialist war; it will necessarily (until the advent of socialism) produce new imperialist wars; it has made the politics of the present great powers essentially imperialist—but this "epoch" in no way excludes a national war, e.g. on the part of the small (even though annexed or nationally subjected) states *against* the imperialist powers, in the same way as it does not exclude large scale national movements in Eastern Europe. On the question of Austria, for instance, Junius is arguing very correctly; he takes into account not only its "economic" but also its special political position, he notes the "inner incapacity of Austria to live," he admits that the "Hapsburg Monarchy is not a political organisation of a bourgeois state, but merely a loosely connected syndicate of several cliques of social parasites," and that "the liquidation of Austria-Hungary is historically merely the continuation of the disintegration of Turkey, and both together are demanded by the historical process of development." Matters do not stand any better with several Balkan states and with Russia. In the event of the "great" powers being thoroughly exhausted in the present war, or in the event of a victory of the revolution in Russia, national wars are quite possible and may even be successful. On the one hand, the interference of the imperialist powers would *not* necessarily take place in every case. If, on the other hand, it is decided "off one's bat" that a war of a small state against a giant is hopeless, then we must answer that a hopeless war is also a war. Besides that, the appearance of certain phenomena inside the "giants"—for instance the outbreak of a revolution—may change a hopeless war into a very hopeful one.

We have been dealing in detail with the inaccuracy of the assertion that "there can be no more national wars" not only because it is theoretically false. It would of course be very sad if the "Lefts" began to show a careless attitude towards the theory of Marxism just in this period when the creation of the Third International is possible exclusively on the basis of

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non-vulgarised Marxism, but also because from the political point of view this mistake is very dangerous in practice: from it has been derived the senseless propaganda for "disarmament," as no wars except reactionary ones are taken to be possible; from it is also derived the even more senseless and directly reactionary indifference to the national movements. This indifference becomes chauvinism when members of the "great" European nations—that is, of nations who are oppressing a mass of peoples large and small—declare with a pseudo-scientific air that "there can be no more national wars"! National wars *against* imperialist powers are not only possible and probable, they are also inevitable and are as *progressive* as they are *revolutionary*, even though of course their *success* depends either on the joint efforts of an enormous number of the inhabitants of the oppressed countries (hundreds of millions in our example of India and China), or on a particularly favourable constellation of international conditions (e.g. a paralysing of the intervention on the part of the imperialist powers, by their weakness, their wars, their antagonisms, etc.), or on a simultaneous rising against the bourgeoisie on the part of the proletariat of one of the great powers (this last possibility in our list comes first from the point of view of it being most desirable and advantageous for the victory of the proletariat).

We must add, however, that it would not be just to accuse Junius of indifference towards the national movements. For at least he does note it as one of the crimes of the social-democratic fraction that they were silent on the question of the execution for "treason" (probably for an attempted rebellion against the war) of a native leader in the Cameroons. In another place Junius also lays particular stress (for the benefit of Messrs. Legien, Lensch, and other blackguards who call themselves "Social Democrats") on the fact that colonial nations are also nations. He explains with complete firmness that "socialism admits for each people the right to independence and freedom, the right to an independent working out of their own destiny"; "international socialism admits the right of free, independent, equal nations—but only international socialism can produce such nations and make the right to self-determination a reality. And this socialist slogan (as the author correctly remarks) serves like all other slogans not as a sanctification of the existing state of affairs, but as a signpost, as a stimulus to the revolutionary, active and creative policy of the proletariat (pp. 77, 78)." This shows that it would be a serious mistake to believe that all German left socialists have slipped into that narrowmindedness and caricature of Marxism which is reached by several Dutch and Polish Social Democrats, who deny the right of self-determination to nations even under socialism. But we will speak in another place of the *special* Dutch-Polish sources of *this* mistake.

(*To be concluded.*)

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BOOK REVIEWS

THE LETTERS OF MARX AND ENGELS.

Marx-Engels : Selected Correspondence, 1846-1895. Published by Martin Lawrence Limited. 551 pages. 12s. 6d. net.

THE publication of this *Marx-Engels Correspondence* in Britain is a historical event, if full use be made of it. When a small portion of Marx's Correspondence (the *Letters of Kugelmann*) was translated into Russian many years ago, Lenin, realising their importance, wrote a special preface to recommend them to the attention of revolutionary workers. In Britain, where Marxism has been so long ignored or distorted, where the body of generally available Marxist writings has been so meagre, and where there has not been available up to this last year even the smallest portion of the Marx-Engels Correspondence.

All the more important now is this publication, coming in the sixth winter of the crisis, amid a growing eager interest in the teachings of Marx.

Out of well-nigh two thousand letters known to exist and published in full in the Collected Edition of the Marx-Engels-Lenin Institute, a selection of the most important passages was published last year in German under the editorship of V. Adoratsky. The editorial notes are of extraordinary value, for they consist not only of the usual explanatory matter, but copious extracts from other letters and from such writings of Lenin as have a bearing upon the passages selected. This *Selected Correspondence* is now translated into English, with considerable additions of special interest to students of British and American working-class history as well as additional editorial matter contributed by Dona Torr, the English translator and editor. The selection covers mainly the last thirty years of Marx's life, and then the further twelve years' period up to the death of Engels in 1895. The range of these letters of Marx and Engels is remarkable, covering economics, history, science, philosophy, the politics of Germany and Britain, of Europe, Asia and America, the strategy and tactics of the class struggle throughout the world. Nothing of mankind is alien to these twain.

Of particular importance to the working class in Britain at the moment are the passages which deal with the united struggle. On this Marx and Engels lay down solidarity of the working class in all countries as the fundamental principle of the First International, just as in the forties they had made " Proletarians of all lands Unite ! " the final slogan of the Communist Manifesto. " The Revolution," Marx wrote in 1872, " must be made with solidarity : we learn this from the Paris Commune, which only fell because just this solidarity was lacking among the workers of the other countries." Again in 1871 he writes to an American correspondent : " The International was founded in order to replace the Socialist or semi-Socialist sects by a real organisation of the working class for struggle. . . . The development of the system of Socialist sects and that of the real workers' movement always stands in inverse ratio to each other." Fifteen years later Engels, in a letter to America warning against sectarianism (" Our theory is a theory of evolution, not a dogma to be learned by heart and to be repeated mechanically "), takes the occasion to refer to the lessons of the first International.

> Had we from 1864 to 1873 insisted on working together only with those who openly adopted our platform where should we be to-day ? I think that all our

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> practice has shown that it is possible to work along with the general movement of the working class at every one of its stages without giving up or hiding our own distinct position and even organisation, and I am afraid that if the German Americans choose a different line they will commit a great mistake.

At a moment when in Europe labour and socialist parties desiring a united front are confronted with the blank refusal of the British Labour Party chiefs, whose preoccupation is to break up the growing solidarity amongst the workers, these words of Marx and Engels require to be remembered.

On the other hand, any forsaking of the principle of the class struggle under the pretext of a spurious " unity " was just as emphatically condemned. " The issue is purely one of principle," Engels writes to Bebel on the separation in France of Guesde and Lafargue (Marxists) from the opportunist section : " Is the struggle to be conducted *as a class struggle* of the proletariat against the bourgeoisie, or is it to be permitted that in good opportunist style the class character of the movement, together with the programme, are everywhere to be dropped where there is a chance of winning more votes, more adherents by this means ? . . . . Unity is quite a good thing so long as it is possible, but there are things which stand higher than unity."

It is clear from this and other passages, too long to be cited here, that Marx and Engels, while stressing the principle of solidarity, insisted all the time on keeping distinct and bringing to the fore the principles of the workers' party based on the class struggle. Their emphasis on the character and rôle of the revolutionary workers' party comes out in letter after letter sent to the leaders of the Party in Germany. At the time of Bismarck's anti-socialist legislation opportunism was showing itself and was expressed by a group of " Zurichers." The Zurichers had written :

> The more quiet, objective and well-considered the party is, therefore, in the way it comes out with criticism of existing conditions and proposals for changes in them, the less possible will a repetition become of the present successful strategy (when the Socialist law was introduced) by which the conscious reaction has intimidated the bourgeoisie by fear of the Red bogey.

Marx and Engels commented :

> In order to relieve the bourgeoisie of the last trace of anxiety it must be clearly and convincingly proved to them that the Red bogey is really only a bogey, and does not exist. But what is the secret of the Red bogey if it is not the bourgeoisie's dread of the inevitable life-and-death struggle between it and the proletariat ? Dread of the inevitable decision of the modern class struggle ? Do away with the class struggle and the bourgeoisie and " all independent people " will " not be afraid to go hand in hand with the proletariat." And the ones to be cheated will be precisely the proletariat.

These words describe exactly the " progress " of British Socialism from the first Zuricher-like Fabians up through the MacDonald-led and Snowden-led I.L.P. to the point where the capitalists could view with equanimity the formation of a Labour Government. The " life and death struggle " had been transformed : the capitalists were not deceived : it was the proletariat of Britain that was cheated by the first and second Labour Governments.

It has been customary, especially in this country, for popular authors to deride Marxism, avering that it is too dull and too dry for anyone to read, but that in any case it is based on " obsolete mid-Victorian " views of " economic man," that it is " fatalistic," that it revives " Calvinistic predestination," that it recognises nothing but the " economic factor," etc., etc., etc. It is doubtful whether these people prove anything more than that they have not read the books about which the articles are written : but as no one ever dreams of prosecuting an author for thus obtaining money on false pretences, these fraudulent practices

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go on merrily. For any one who has occasion to quash this rubbish, the letters from Engels to various correspondents in the 'nineties are of exceptional interest. This, for example, he writes to J. Bloch:

> According to the materialist conception of history, the determining element in history is ultimately the production and reproduction in real life. More than this, neither Marx nor I have ever asserted. If therefore somebody twists this into the statement that the economic element is the only determining one, he transforms it into a meaningless, abstract and absurd phrase. The economic situation is the basis, but the various elements of the superstructure—political forms of the class struggle and its consequences, constitutions established by the victorious class after a successful battle, etc.—forms of law—and then even the reflexes of all these actual struggles in the brains of the combatants: political, legal, philosophical theories, religious ideas and their further development into systems of dogma—also exercise their influence upon the course of the historical struggles and in many cases preponderate in determining their form. There is an interaction of all these elements, in which, amid all the endless host of accidents (*i.e.*, things and events whose inner connection is so remote or so impossible to prove that we regard it as absent and can neglect it), the economic movement finally asserts itself as necessary. Otherwise the application of the theory to any period of history one chose would be easier than the solution of a simple equation of the first degree.

Again, students of Marx's *Capital* would do well to read the wealth of material contained both in the letters between the two friends in which questions of political economy are discussed, and also in the explanatory letters sent to various correspondents. For not only do these throw an invaluable light on the chief conceptions of political economy but also on vexed questions such as the rate of profit. At the same time it is exhilarating to see Marx in the process of elaborating his thoughts on political economy as he lays them before Engels in letter after letter.

What is said of political economy would apply also to history, both of past time and of contemporary events. To read these letters, with their surpassing quality of describing things as they are *while* they are (and therefore with the quality also of predicting what they will be); to read the same unerring analysis which stands out in "The Civil War in France" applied to event after event (the same quality that comes out later in Lenin's writings) is at once an education in the method of Marxism and a recurrent searchlight on European history.

Nothing is more remarkable than the way in which both Marx and Engels tackle the problems of a particular country, analyse the forces at work, perceive the motion or potential motion of the classes and foresee with extraordinary precision the development for the next period. The letters on Britain have been sufficiently quoted from in recent years in the LABOUR MONTHLY and elsewhere for this to be widely known (though not widely enough). But after all it might be said, Marx and Engels were living in England and had special opportunities of reaching their illuminating conclusion. What then are we to say when we find the astounding letters on Russia—a country which neither had visited and within whose borders the serfs were "emancipated" when both Marx and Engels had already passed the middle of their lives. But in this case too the method of Marxism triumphs. Well might Lenin say of these letters:

> If one were to attempt to define in one word, so to say, the focus of the whole correspondence, the central point around which the entire network of the ideas, expressed and discussed, turns—that would be: *dialectics*. The application of materialist dialectics to the restatement of all political economy from its foundations, to history, natural science, philosophy and the policy and the tactics of the working class—that is what interested Marx and Engels above all.

Lastly, these letters are to be read, not only for their historical interest, not only for their immediate bearing on questions of the present day, but also for

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the breathing picture they give of Marx and Engels. The letters are between two magnificent human beings, great revolutionaries. The memory of Marx and Engels is bound to be held not only in respect but in affection by those who read these letters.

It is a good translation: and a pleasure to read after the mangling of Marx and Engels which British and American readers have had offered to them in so many versions. The notes, both of V. Adoratsky and the English editor, are also good. Finally, there is a full and carefully made index.

R. P. A.

AT ONCE A THINKER AND A MAN OF ACTION.

Letters to Dr. Kugelmann. By Karl Marx. (Martin Lawrence Ltd. 3s. 6d.)

WE are still terribly behind with the publication of Marxist works in this country, but Martin Lawrence is making gallant efforts to bridge the gap. Still it is a sad commentary that the famous collection of letters which Marx wrote from London to his intimate friend Kugelmann have only just been published. Lenin's introduction reminds us that they were published in Tsarist Russia as long ago as 1907! But of course the Russians always devoured Marx, the first foreign translation of "Capital" to appear was in the Russian language.

These letters contain much personal material as well as comments on current events, people and Marx's own scientific work. The frequent references to poverty and ill-health (for several years Marx was affected with carbuncles) reveal the terrible difficulties under which he carried on his mighty scientific labours. It was not until 1869 that Marx, thanks to the assistance of his great comrade-in-arms, Engels, was able "to work in peace."

Like the larger volume *Selected Correspondence of Marx and Engels*, these *Letters* give us a vivid picture of the thinker and man of action, the perfect combination of theory and practice. Lenin siezes on this feature of the *Letters* and emphasises it with great vigour in order soundly to belabour Plekhanov, who after the 1905 Revolution had behaved like a "scolding schoolmistress" and had denounced the workers for taking up arms.

And as Plekhanov had compared himself to Marx, Lenin drives home the comparison—to the discomfiture of Plekhanov. Marx was against a rising in Paris in 1871, but once the Commune had been established, he supported it with all the passion of his firey nature. In his letters to Kugelmann Marx shows that he had nothing but admiration for the bravery and "historical initiative" of the Parisians. "World history," wrote Marx, "would, indeed, be very easy to make, if the struggle were taken up only on condition of infallibly favourable chances."

When Lenin wrote his preface he did not know that Kautsky had suppressed one of the most important letters, the one of February 23rd, 1865, dealing with Lassalle's so-called "*real politik*," which was really opportunism, the sacrificing of the revolutionary aims of the working class for immediate interests. This letter has been rescued and included in the present edition by the Marx-Engels-Lenin Institute.

But Marx was equally merciless towards the sectarians and these letters which give some glimpses of his work in the First International, show how he

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was able to unite widely varying groups for common struggle, to organise international action, to spread the principles of Communism and to work out a clear tactical line. Of particular interest in this connection are the letters referring to Ireland and the letter of the General Council of the First International to the Brunswick Committee, written by Marx and sent by him to Kugelmann.

From a collection of such letters covering so many varying subjects each reader will select for himself which is the most interesting and important. All those who read Marx because they want "to acquire the ability to mould the future" (as Lenin puts it) will find ample material for thought, whether it be in the letters expounding economic theory and commenting on the works of scientists and sociologists, or those dealing with the daily activities of the revolutionary movement.

W. R.

INDIA AS IN FACT IT IS.

British Imperialism in India. Joan Beauchamp. (Martin Lawrence Ltd., 33 Great James Street, London.) 222 pp. 5s.

THERE always has been a long-felt want of a book on India dealing with the modern aspect of life, involving problems of Capitalism and Imperialism.

At last a book has appeared, and it is indeed the right type of book written by Joan Beauchamp for the Labour Research Department and published by Martin Lawrence. It is a book which ought to have a place in every public free library of this country as well as of America, and searchers after truth on Economics should take steps to see that the libraries in their district have one. Members of Trade Union branches, especially in the Textile, Mining, Steel, Engineering and Seafaring trades should insist on their branches buying a copy for circularising among their members.

If any of the numerous highly-paid Trade Union officials in Great Britain had due sense of responsibility to their working-class patrons, and had even half the understanding of modern Imperialism as is possessed by Joan Beauchamp, they would have long ago produced for British and Indian readers a series of books and pamphlets along the lines of the present book which we review here. Had they done so, one gets out of breath to take stock of what anti-labour terrorist measures in India, and in Britain, would have never taken place. The wholesale massacres of Moplahs in Southern India, of Punjabis in Jalianwala Bag (Amritsar), of the Tharawaddi Burmans and of factory and transport workers in Bombay, Calcutta, Chittagong, Peshawar, Sholapur, Ahmedabad and numerous places in India would never have occurred. The disgraceful Meerut Trial would never have been concocted, and would have saved a Labour Government from its shame. The Trade Union Movement in India with a healthy support of British workers would have grown to power, and five million preventible deaths which occur in India every year would have been checked and reduced to a minimum.

The reflex of this safeguard for Indian workers and peasants would have saved British workers from some of the catastrophic attacks upon their rights and standards. The General Strike of 1926 would not have failed to gain success. The anti-Miners' Act and the Trades Disputes Act would not have seen the

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light of day. The various cuts in the wages of British miners, jute-workers, Lancashire cotton workers, iron and steel workers would not have become possible. Unemployment would not have attained 50 per cent. of its present dimensions, and cuts in the benefits of the Unemployed would not have been successful. The Baldwin Government of 1924-1929 and the present National Government could not have existed, and Britain, even if not a Soviet State immediately, would have remained a bulwark of working-class rights.

In the very opening paragraph the author makes us feel that she has the correct understanding of modern Imperialism and its economic motif. The description of the origin and failure of the 1857 " Mutiny " in India affords much food for thought for the Indian politicians of to-day. Had the early leaders of the Indian National Congress, and those who came as periodical deputations from India to England on political missions studied the writings of Karl Marx in general and those on India in particular such as are to be found in his letters to the American Press from 1853, they would not have wasted their gigantic energies and resources on committing Himalayan errors after errors in dealing with British Imperialism.

The tactics of British capitalists and the easy allurements offered to the Indian bourgeoisie after the 1857 " Mutiny " are well brought out in the first chapter. Every Indian Congress politician has got to learn from this book how unnatural and even wicked is his desire to defend and preserve the Indian Zemindar during the nationalist struggle to overthrow Britain's yoke, when as the author explains, these Zemindars are the creation of British capitalists for the express purpose of exploiting India's agricultural wealth and crushing the liberties of the people.

The appalling pictures of human life under Imperialism are well brought out. Be it landless peasants with 2d. per day living standard, or the oppressed industrial worker with 10d. a day on which to live in expensive cities—both have to starve, succumb to death-rates of 250 to 320 per thousand, see their infants die at the heavy rates of over 500 per thousand in certain areas, both have to submit to 5 million preventible deaths of poverty year by year, and have life shortened to an average span of 23 years. Such is the true picture of British Imperialism in India instead of the British boon of civilisation and progress which even now some British Labour members acclaim in Parliament to show off their class impartiality. Hundreds of millions of Indians have to live on " dietry on which rats could not live for 5 weeks," in order that British exploiters of India may be able to bring home wealth from which they can bribe in some measure their own short-sighted Labour at home. British Imperialism is shown in this book to be what it can really be, and what in fact it is.

In the last chapters the present-day political and economic struggles of India are well described and correctly analysed. There is a lesson for him who may read without false pride or undue prejudice.

Neither the Labour leader of Britain nor the Congress leader of India is fit to break the shackles of Imperialist Capitalism or Capitalist Imperialism. Men and women by the millions exist in both countries who can perform the task if only they can follow the present authoress in her suggestions.

SHAPURJI SAKLATVALA.

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A USEFUL STUDY OF HITLERISM.

The Nazi Dictatorship. By Roy Pascal, Lecturer in German at Cambridge. Routledge. 278 pp. 10s. 6d.

BOOKS about the Hitler dictatorship in Germany are now very numerous. Most of them are either descriptions of the events, or more or less competent opinions of visitors, German emigrants or partizans of Hitler. R. Pascal's book is more interesting than the others in view of its aim. The author, who has a fair knowledge of actual German conditions having recently made his observations on the spot, sets out to give an analysis from the social standpoint of the character of Hitlerism. He says :

> It has been my aim to trace the conditions which encouraged the expansion of Hitlerism, and the permanent influence that National-Socialism has exerted on German society (p. vii).

A book written with this aim is always worth reading. On the other hand, such an aim demands not only a thorough knowledge of the facts, but, at the same time, a mastery of the only instrument of real historical research—Marxism. The author is very near to the truth when he characterises Hitlerism as follows :

> Germany is now the State of Monopoly-Capitalism, of a Dictatorship not of a set of gangsters, nor of a political party, but of the great industrial and financial interests, whose might in the last eighteen months has been vastly strengthened and extended (p. vii).

But—and here the weakness of the book begins to show itself—this characteristic is no more true for Germany than it is for Great Britain, France and other democratic countries where " industrial and financial interests " and not political parties rule. Once we oppose " party " and " dictatorship of monopoly capitalism " we are constructing an antagonism which does not exist in the capitalist world.

German Fascism is a *specific* form of capitalist dictatorship in the period of Imperialism (Monopoly-Capitalism) *under the conditions of the general crisis of capitalism,* and in a country defeated during the last war. Any history of German Fascism, even the shortest, should therefore start with the Versailles Treaty, especially if written for readers of a country which reaped only the benefits of Versailles.

The author does not deal with the crisis and the forms it has taken in Germany (except in the later part, where he discusses the possibilities of overcoming the crisis). Versailles and the disarmament of one of the most powerful industrial nations is hardly mentioned ; even the description of the revolutionary events in 1918 is hardly clear enough to give the background necessary for the understanding of the developments in Germany. This is the principal weakness of the book ; the historical part contains a considerable number of smaller errors, making the understanding of the whole situation even more difficult for the average reader.

But if the author has not succeeded in giving a clear historical picture of the development of Germany during the last 17 years (and this is such a difficult task, that the demand for it can hardly be made), he has been able to oppose in a very effective manner the programmes and principles of Hitlerism " before and after use." It is always difficult to find one's way through the crazy and contradictory nature of the theories of the Nazis. There has never been a real Nazi doctrine ; indeed such a thing in any written form could never exist in

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a movement which at once tries to win all the discontented elements of all classes, and is simultaneously bound to employ every sort of demagogy and to obey the instructions given by the leaders of Finance and Industry. Nevertheless, as far as any programme has existed, the author has done useful work by comparing it with the measures that have been taken against the interest of each class and social group.

And this second part of the book is extremely valuable. It unmasks and exposes the " consistency " of Sir Oswald Mosley's great example and provides every anti-fascist in this country with the opportunity of raising questions relating to the attitude that this promising young candidate for leadership in this country will take up if ever he achieves his aim.

A second point which equally is very useful, is the author's shattering of the wide-spread legend concerning the " dictatorship of the lower middle class " —a legend that is typical of those " socialists " who are unable to see the difference between the rulers and those who carry the masses with them. But he himself is not entirely free from the charge of over-estimating the social strength of the former army officers and the other middle-class elements in the Nazi movement. One should not forget that Hitlerism succeeded temporarily (and this is one of the reasons for the permanent crises inside the S.A. troops) in winning the weakest, inexperienced part of the working class (a small part, may be, but nevertheless a part of it), particularly the younger victims of the economic crisis who were workers by the position they occupied in society, but had never had the opportunity of doing any actual work since they left school. These are the proletarian cadres of Nazism, the working-class recruits of the S.A. and the elements that can be won by the revolutionaries.

One point, where most readers will disagree with the author is where he expresses a pessimistic view concerning the end of Hitlerism. But it is obvious that a book cannot come to the correct conclusions which does not give any estimate of the anti-Hitler forces in Germany. The economic " achievements " of Hitlerism, which the author exposes with all their demagogy, are one of the moving forces in the rising crisis of the Hitler dictatorship.

But those points must be reserved to a book—a Marxist book—on Germany to-day which remains to be written. Nevertheless for all students of German conditions and fascism, Mr. Pascal's study will be extremely useful.

J. GUNTHER.

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*Our Financial Appeal**

WE have this month passed the £100 mark in the response to the Debt Fund. This is a big step forward, and we extend warmest thanks to all those who have helped to make this possible. In a time of stress and difficulties for all, when there are many calls to be met, it is an achievement for LABOUR MONTHLY readers, alongside all their other obligations, to have raised this sum.

Now it is necessary to press forward to the £200 level. We have still to reach the total of £480. Therefore we still need strongly to call the attention of all to our appeal.

Those who have responded so far have done so in many cases to the limit of their resources and beyond. But how many of our readers have yet responded? Those who have sent donations up to date, including the lists on the collecting cards, number 210. *But what of the remaining readers* (now 5,000)? Have you who read these lines sent your contribution yet? We believe that every serious reader of the LABOUR MONTHLY every reader who cares for its political fight, will want to help. Two Shillings from every reader will wipe out the debt.

At the same time we should like to call attention again to the Guarantee Fund, the aim of which is to put the LABOUR MONTHLY on a permanent stable basis. Despite extreme economy in production, all costs being cut to bare printing, paper and distribution, there is still, on the present net sale of 5,000 copies, a deficit of £29 a month to be met. A "Guarantee" is a promise to pay so much a month to help to cover this deficit. If we can raise the Guarantee Fund to a total of £29, the future of the LABOUR MONTHLY is assured. The present total so far is £13 1s. 4d. There is still £16 to go. Who will help on this?

We print some more extracts from letters accompanying donations:

> As a worker on the machine-room staff of a large London newspaper, you can imagine how refreshing it is each month to read the LABOUR MONTHLY, and it eases my conscience somewhat of being party to the continued printing of dope, to be able to assist in my small way the continued production of the LABOUR MONTHLY. (Print Worker.)
>
> Hoping that this is not the last contribution I shall make towards the most valuable periodical the working class possesses. Your notes give the guiding line to thousands of workers every month. (Swindon.)
>
> I enclose 5s. for the LABOUR MONTHLY Debt Fund, and wish the valuable paper the continued success which its producers thoroughly deserve. (Leeds.)
>
> This contribution is from a group of LABOUR MONTHLY readers who are anxious to help maintain it, having received tremendous educational assistance from it. (Weston-super-Mare.)

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*A full financial statement of income, expenditure and circulation of the LABOUR MONTHLY was published in the issue for September, 1934, in launching this Appeal. The Appeal is to raise a Debt Fund of £480 to wipe out existing debts, and a Guarantee Fund of £29 a month to cover existing production costs and ensure continuance of the LABOUR MONTHLY.

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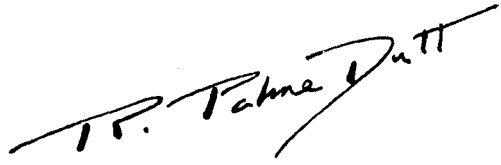
The LABOUR MONTHLY is essential to all who wish to keep abreast of world events, for its accurate analysis. The Marxist press in this country would be very much weaker without it. (West Kirby.)

I want to convey to you from the small circle of LABOUR MONTHLY readers and other workers here in Belfast who have subscribed to the above appeal their desire and confidence that the LABOUR MONTHLY will overcome all obstacles that its enemies put in its way, also that we here in Ireland will strive to increase the influence and circulation of the LABOUR MONTHLY here in the future.



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